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G-10 Ministers Review Savings, Investment

OW2604142095 Tokyo KYODO in English 1241 GMT 26 Apr 95

[FBIS Transcribed Text] Washington, April 26 KYODO—The so-called Group of 10 (G-10) meeting of finance ministers and central bankers from 11 industrial nations started early Wednesday to review recent studies on the prospects for world savings and investment, Japanese officials said.

The G-10 meeting will also discuss implications of global savings and investment for real interest rates and economic policy, as well as the previous day's Group of Seven (G-7) agreements, the officials said.

Finance ministers and central bankers from the G-7 nations—Britain, Canada, France, Germany, Italy, Japan and the United States—met Tuesday in the first of a spate of international financial meetings through Thursday.

The officials said the G-10 meeting is a short gathering to adjust views ahead of a meeting of the 24-nation interim committee for the International Monetary Fund (IMF) to be held soon afterward.

The G-10 countries group the G-7 nations plus Belgium, the Netherlands, Sweden and Switzerland.

IMF Interim Committee Meets in Washington

Semiannual Meeting Opens 26 Apr

OW2604141895 Tokyo KYODO in English 1357 GMT 26 Apr 95

[FBIS Transcribed Text] Washington, April 26 KYODO—The policy-making committee of the International Monetary Fund (IMF) began its twice yearly meeting Wednesday to discuss surveillance of emerging economies in a bid to avert "Mexican type" financial crises, Japanese officials said.

The 24-nation interim committee meeting, following the group of 10 (G-10) gathering of 11 industrial nations, will elaborate on proposals made Tuesday by the Group of Seven (G-7) nations, the officials said.

Finance ministers and central bankers of the G-7 nations—Britain, Canada, France, Germany, Italy, Japan and the United States—discussed a mechanism to prevent a repeat of the currency crisis that hit Mexico last December and new roles of the IMF to meet changing needs, among others.

The policy-making body will also examine world economic outlook, considering recent currency fluctuations, and conditions of economies in transition, such as in Russia and Ukraine, the officials said.

A communique will be issued after the meeting, and a press conference will be held by Belgian Finance Minister Philippe Maystadt, who chairs the meeting, and IMF Managing Director Michel Camdessus.

Communique Issued

OW2704014595 Tokyo KYODO in English 0123 GMT 27 Apr 95

[FBIS Transcribed Text] Washington, April 26 KYODO - The following is a full text of a communique issued at the end of an interim committee meeting in Washington on Wednesday [26 April] of the International Monetary Fund (IMF).

Communique of the Interim Committee of the Board of Governors of the International Monetary Fund

1. The Interim Committee of the Board of Governors of the International Monetary Fund held its 44th meeting in Washington D.C. on April 26, 1995 under the chairmanship of Mr. Philippe Maystadt, minister of finance of Belgium.

2. The committee welcomed the entry into force of the Uruguay Round agreement and the formation of the World Trade Organization, and encouraged the Bretton Woods institutions to develop a close relationship with it in promoting an open exchange and trade system. The committee noted that developments in the world economy have been generally favorable, and provide an opportunity that countries should use wisely, by implementing policies to achieve the objectives set out in the declaration on cooperation to strengthen the global expansion adopted in Madrid in October 1994.

3. In reviewing progress in implementing the Madrid Declaration, the committee reaffirmed its intention to reinforce the committee's role in the process of policy cooperation and coordination, having particularly in mind the medium-term strategy. In this context the committee observed that:

—in the industrial countries, growth has been stronger than expected and inflation has remained moderate. The committee welcomed the timely increases in interest rates to dampen incipient inflationary pressures in countries approaching full capacity utilization, and the easier stance of monetary policy in some other countries where the expansion is more recent. It emphasized the importance of bolder fiscal consolidation to increase savings, investment and employment. The committee considered that recent exchange rate movements for some major currencies had gone farther than warranted by fundamentals and agreed that orderly reversal of these efforts were needed to reduce internal and external imbalances. These efforts should focus on measures to raise national saving in a medium term deregulation and market opening to increase the responsiveness of domestic sectors to world competition.

In many developing countries, sound macroeconomic policies and vigorous structural reforms have yielded robust growth, nevertheless policy challenges remain. The long-term prospects of a number of countries, particularly in Asia, remain bright, although in the short run caution is necessary to address signs of overheating. Developing countries in the Western hemisphere are expected to experience somewhat slower growth. Many developing countries need to act to bring inflation under firm control. Stronger action is required to raise growth rates in many poorer countries above the rate of population increase.

The committee agreed to reinforce surveillance of emerging economies as a way to prevent a currency crisis such as the one that happened in Mexico.

The communique said the committee "agreed that fund surveillance should be strengthened in a symmetrical manner and taking into account the lessons to be drawn, by member countries and by the fund itself, from the recent crisis in Mexico."

A global call has been mounting for international organs to create a mechanism to avert crises similar to the Mexican peso crisis in December that rocked the international financial community by spurring an exodus of speculative funds from the country.

Active cross-border financial transactions have increased the danger that financial turbulence in one nation could touch off a chain-reaction currency crisis on a global scale.

In the communique, the committee welcomed the enforcement of the Uruguay Round accords and the formation of the World Trade Organization (WTO).

The communique then said the committee "encouraged the Bretton Woods institutions to develop a close relationship with it (the WTO) in promoting an open exchange and trade system."

The committee also reviewed developments relating to the financial crisis in Mexico. It welcomed the strengthened adjustment program being implemented by the Mexican authorities with the exceptional support of the international community. It noted that early contagion effects had been contained, thanks to the prompt international response and strong adjustment efforts by affected countries.

—The committee welcomed the strong expansion now under way in an increasing number of transition countries following strong stabilization and reform programs. Although many transition countries are now committed to stabilization and reform, further substantial efforts are still required. The committee welcomed the courageous policies being implemented by Russia and Ukraine and some other transition countries with the support of the IMF, the World Bank, and the EBRD and other regional development banks.

4. The committee discussed the evolving role of the International Monetary Fund in an environment of increased globalization and integration of markets for goods, services and capital. It concluded that this new environment required stricter policy discipline from all members to guard against sudden adverse market reactions. The committee therefore agreed that Fund surveillance should be strengthened in a symmetrical manner and taking into account the lessons to be drawn, by member countries and by the Fund itself, from the recent crisis in Mexico. Endorsing a report by the Executive Board on strengthening Fund surveillance, the committee agreed that the policy dialogue between the Fund and its members should be improved as follows.

First, the committee encouraged the Fund to establish a closer and more continuous policy dialogue with member countries, to strengthen its analysis, and to be frank and candid in its recommendations concerning the possible risks attached to policies followed by members. Second, the committee stressed the importance of regular and timely provision by all members of economic data to the Fund, thereby enabling the identification of emerging tensions at an early stage, in that context, it also noted the Fund's intention to make greater use of financial market data. Third, the committee emphasized that timely publication by members of comprehensive data would give greater transparency to their economic policies, it requested the executive directors to work toward the establishment of standards to guide members in the provision of data to the public, and to submit proposals for consideration by the committee at its next meeting. Fourth, the committee noted the risks attached to over-reliance on easily reversible capital inflows, and invited the Fund to pay more attention to members' financing policies, and the soundness of their financial sectors, in its surveillance activities. Fifth, the committee concluded that the Fund should better focus its surveillance, rebalancing its efforts to give increased emphasis to the situation of those members where economic disturbances or polices could have broader implications for other countries, while maintaining the quality of its policy dialogue with all member countries.

5. The committee agreed that the Fund's liquidity position is adequate at present, despite recent large demands on Fund resources, but noted that the Fund's liquidity is projected to decline sharply over the next two years. It requested the Executive Board to continue to review the adequacy of the Fund's resources, and, in connection with its review of the role of the Fund, to carry forward its work on the 11th General Review of Quotas. The committee also saw a need to examine the issues related to borrowing by the Fund from members and in particular, the role of the General Arrangements to Borrow.

6. The committee continued its consideration of SDR [special drawing rights] issues, in light of the chairman's report on his consultations with members and the Executive Board's further consideration of these issues. It noted that there was not now a basis for agreement on an allocation but requested the Executive Board to keep this matter under review. The committee requested the Fund to initiate a broad review, with the involvement of outside experts, of the role and functions of the SDR in light of changes in the world financial system.

7. The committee welcomed the application by Paris Club creditors of Naples Terms for low-income countries. It took note of the Executive Board's discussion of the multilateral debt of heavily indebted poor countries, and stressed that multilateral lending to these countries should be on appropriately concessional terms. It agreed that continued Fund support for the poorest developing countries on ESAF (Enhanced Structural Adjustment Facility) terms is desirable. In this context the committee requested the Executive Board to examine the options for continued financing and adapting of the ESAF.

8. The committee had a broad ranging discussion on how the Fund can better assist members in coping with sudden market disturbances, consistent with its catalytic role. It invited the Executive Board to embark on a further examination of all the relevant issues, in close collaboration with other institutions.

9. The committee will meet again on Oct. 8, 1995, when it will further review progress in implementing policies to maintain global recovery and ensure stable financial market conditions, and in strengthening Fund surveillance and financing.

NAM Delegates Discuss UN Reorganization

India Urges 'Full Representation'

BK2604161495 Delhi All India Radio Network in English 1430 GMT 26 Apr 95

[FBIS Transcribed Text] The external affairs minister, Mr. Pranab Mukherji, has called for full representation of the nonaligned countries in the UN Security Council. In a statement at the NAM [Nonaligned Movement] Coordination Bureau meeting at Bandung today, he said countries of the Nonaligned Movement remain the largest grouping with 112 members at the United Nations, but it remains grossly unrepresented in the Security Council with none in the permanent members category. Mr. Mukherji also called for the expansion of the UN Security Council by evolving a criteria by consensus.

Iran's Stance Outlined

NC2704071295 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 0345 GMT 27 Apr 95

[Commentary by the News Commentary and Research Group]

[FBIS Translated Text] During the extraordinary session of the Nonaligned Movement's [NAM] foreign ministers in Bandung, Indonesia, our foreign minister said that the biggest obstacles to the fair operation of the Security Council are its secretiveness, the absence of democracy, the granting of priority to the interests of some permanent members, and the absence of a feeling of responsibility.

Dr. Velayati said at the session that the Security Council's modus operandi should be reviewed so that the Council's activities become more democratic, more global, and more correct, and also come into line with the needs and interests of global society.

For some time, in view of world changes, the need to revise the UN Charter has been to the fore. The major supporters of this idea believe the world's current affairs cannot be put in order with regulations compiled 50 years ago. Within this framework, Group 77, as well as groups of the NAM, European countries, African countries, Latin America, and the Caribbean, have started their political consultations to achieve coordination to adopt common stances in relation with this. Among these groups, NAM boasts a membership of 110 members from various places out of the total 185 members of the United Nations. Despite the post-Cold War view doubting the need for NAM, this movement is becoming more effective in this fresh phase of its life.

As for altering the UN Charter, the Security Council is of particular importance. The Security Council is a pillar officially in charge of safeguarding international peace and security. But only 15 of the 185 UN members are represented in it. Thus NAM supports the membership of 26 countries in the Security Council.

As for the veto right, there are great differences between those with the veto right and the other countries. NAM believes that exercising the veto right on some issues should be prohibited. Second, it believes the countries with veto rights should be allowed to use this right in a limited manner and that these countries should not be allowed to use this right when it comes to problems in which they are one of the sides involved. NAM criticizes the secrecy in Security Council discussions and decisions and the Council's preferential stances and double standards.

Discussion of these topics will continue in the Bandung session and in sessions until the 50th UN General Assembly in September, so that NAM can adopt a unified stance and play an effective role in compiling a new UN Charter.

Nonaligned Countries Review NPT Extension

Egyptian Draft Endorsed

NC2604164695 Cairo Arab Republic of Egypt Radio Network in Arabic 1500 GMT 26 Apr 95

[FBIS Translated Text] The Political Committee of the nonaligned countries, who are now holding a meeting in Bandung, today endorsed the draft document submitted by Egypt, calling on Israel to give up its possession of nuclear weapons, hasten to join the Nuclear Nonproliferation Treaty [NPT], and place all its nuclear installations under the full supervision of the International Atomic Energy Agency.

The committee voiced full backing for President Husni Mubarak's initiative to set up a zone free of all weapons of mass destruction in the Middle East. It called on all the parties concerned to immediately take the practical steps needed to establish a zone free of nuclear weapons in the region.

The nonaligned conference is scheduled to hold its final session tomorrow morning, when the resolutions and documents discussed by the various committees will be endorsed. The final communique will be issued at the end of the conference, which opened yesterday.

Egypt's Musa Views Stance

NC2604210595 Cairo MENA in Arabic 1940 GMT 26 Apr 95

[FBIS Translated Text] Bandung, 26 Apr (MENA)—The nonaligned foreign ministers have issued a declaration rejecting the indefinite extension of the Nuclear Nonproliferation Treaty [NPT]. They state the need to stipulate legal obligations pertinent to the transference of nuclear technology, the establishment of nuclear free zones, and the universality of the NPT in the sense that all countries without exception should join it. Stating this, Foreign Minister 'Amr Musa added that the nonaligned foreign ministers session this evening witnessed lengthy discussions of the NPT, noting that another session will be held tomorrow, Thursday, to complete the discussion of this issue. He noted that there is a consensus among the nonaligned foreign ministers on the need for legal obligations and for strong guarantees to the nonnuclear nations. He said that the nonaligned foreign ministers also concur on the need to work out an agreement preventing nuclear tests and halting the stockpiling of nuclear material for weapons. He noted that the nonaligned foreign ministers' discussions stressed the importance that these obligations be accompanied by an agreement on the extension of the NPT for any period of time.

Regarding an indefinite extension of the NPT, Musa pointed out that some countries, mostly small ones, agree to this, whereas many countries are against an indefinite extension of the NPT. He stressed that this situation will be cleared up tomorrow.

Discussing the Egyptian stance on the indefinite extension of the NPT, Musa reasserted that Egypt's stance is well known and was spelled out at the New York conference. He said that Egypt's stance is firm, advocating a system that prevents nuclear proliferation and backing the NPT itself, provided that provisions for an indefinite extension be canceled and provisions be worked out for guaranteeing the interests of the nonnuclear nations. He noted that this issue has not yet been addressed by the nuclear nations

Responding to a question on what stance Egypt will take after the 12 May vote on the renewal and extension of the NPT, Musa said that Egypt will clearly explain its stance on the situation that results from the renewal of the NPT.

Discussing reports that Egypt will sign the NPT with reservations, Musa stressed that there is no change in the Egyptian stance, noting that this was made clear in President Husni Mubarak's speech yesterday marking the liberation of Sinai as well as in the position that was expressed at the United Nations. He said that any reports to the contrary are designed to distort Egypt's stance or are erroneous impressions and false reports. He said the true stance is as President Mubarak stated yesterday when he called on Israel to move toward joining the NPT and establishing a nuclear- free zone. Without this, no change in Egypt's stance can be expected. He said that the Arab stance shows that the majority of the Arab countries are not reassured by Israel's failure to join the NPT; consequently the Arab stance is inclined toward opposing the indefinite extension of the NPT. He noted that he will leave Bandung for Doha tomorrow.

Egyptian Delegate Comments

NC2704082595 Cairo MENA in Arabic 0720 GMT 27 Apr 95

[FBIS Translated Text] Bandung, 27 Apr (MENA)—Ambassador Munir Zahran, a member of Egypt's delegation to the conference of the Nonaligned Movement countries' foreign ministers, has said that the movement's foreign ministers have agreed on the need for and importance of continuing the Nuclear Nonproliferation Treaty [NPT] without defining periods of extension.

In a statement following the Nonaligned Movement foreign ministers' session today, he added that the movement's members were left with the choice of determining their positions on the issue at the New York conference on the grounds that conferences should be held to review the Treaty's extension and record the fulfillment of obligations determined at each conference.

He explained that some of the movement's member countries attending the session demanded an indefinite extension of the Treaty and that many other countries demanded an extension for a specified term or terms, noting that movement countries have no unified stance on the issue.

Iran's Velayati Discusses NAM Session, UN

NC2704061895 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 0330 GMT 27 Apr 95

[FBIS Translated Text] This week the Nonaligned Movement's [NAM] foreign ministerial session is being held in Bandung, Indonesia. The session continues today. Political correspondent Qoroqi conducted a telephone interview with Foreign Minister Velayati, who is in Bandung, and asked him to comment on the topics discussed at the NAM foreign ministerial session. I invite you to listen to this interview.

[Begin recording] [Qoroqi] What were the most important topics discussed at this session and how were the Islamic Republic's positions explained?

[Velayati] A review of the structure of the United Nations and a look at international and regional crises were discussed. As for reviewing the UN structure, issues such as increasing the number of permanent Security Council members, the right to veto, the Security Council's modus operandi, and the Security Council's relations with the General Assembly were among the major topics discussed.

We believe the United Nations should represent every country and that the veto right should not to be used as a means to favor some members' interests over the interests of others.

[Qoroqi] What issues were discussed in relation with the Nuclear Nonproliferation Treaty [NPT]?

[Velayati] Three rounds of specific and limited sessions attended by some relatively major countries in this field, Iran included, have been held. The first session was held on Tuesday [25 April] afternoon. The second was on Tuesday night and continued until after midnight. The third session was on Wednesday morning. The outcome of the consultations in the limited committee was stated at the [NAM foreign ministerial] session on Wednesday night. We hope we can achieve a result.

[Qoroqi] Thank you very much for attending this interview.

[Velayati] I thank you too. [end recording]

ASEAN Officials Consult on Bangkok Summit

BK2204154195 Bangkok BANGKOK POST in English 22 Apr 95 p 6

[FBIS Transcribed Text] Jakarta—The leaders of the Association of Southeast Asian Nations will officially meet their counterparts from Cambodia, Burma and Laos as part of the Fifth ASEAN Summit set for December 14-15 in Bangkok.

Senior ASEAN political and economic officials held their first Joint Consultative Meeting [JCM] here yesterday to prepare for the forthcoming summit. A second meeting to finalise the agenda has been set for June in Bangkok.

"We agreed to a meeting between the ASEAN leaders and the CML countries (Cambodia, Myanmar [Burma], and Laos), which was proposed at a recent ASEAN senior officials' meeting in Singapore," said Sarot Chawanawirat, deputy permanent secretary for foreign affairs.

Burma, Cambodia, Laos and Vietnam are part of the ten-country Southeast Asia, envisioned by the founding fathers of ASEAN.

The Thai delegation submitted a number of options for the meeting between ASEAN—by then a seven-member association with newcomer Vietnam—and Cambodia, Burma, and Laos.

A Thai Foreign Ministry source told the BANGKOK POST before the meeting that one of the options was for ASEAN to meet the three countries one morning or afternoon, as part of the two-day summit.

Thailand, as host of the summit, is responsible for drawing up an agenda for the talks in December and at yesterday's meeting threw in a number of ideas for the summit, including for the Vision Statement for the 21st Century.

ASEAN secretary general Datuk Ajit Singh told the POST many of the proposals are yet to be finalised.

"The JCM mechanism is like a clearing house of the ideas of member countries from both the political and economic viewpoints," he said.

The same source said a proposal for the vision statement, as it is tentatively called now, is to reaffirm the "ASEAN identity" in a dramatically changing world, politically and especially economically.

Examples of dramatic changes are the creation of the World Trade Organisation, borderless globalisation, and the Asia Pacific Economic Cooperation, which joins "economies" and not countries.

The source said that at the last summit in Singapore in 1992, the ASEAN Regional Forum was formulated, "this time there may be no new mechanism, but ASEAN is likely to deliver a statement that reaffirms its identity in a changing world."

The process of consultations will continue at the foreign ministers' level as well as at their annual meeting in Brunei in July and also at the ASEAN economic ministers' meeting to be held a few weeks before the summit.

The source commented that any statements or resolutions at the summit will reflect the wishes of all the seven ASEAN members, including Vietnam which will be officially admitted to the association this July. (endall) 22 apr cr/kuester/pj JK502204.037 22/1542

ASEAN 'Common Position' on APEC Urged

BK2504113295 Bangkok BANGKOK POST in English 25 Apr 95 p 26

[Report by Atchara Atchayakachat in Jakarta]

[FBIS Transcribed Text] ASEAN countries must have a common position on the Asia Pacific Economic Cooperation [APEC] group rather than promoting individual agendas, according to the ASEAN Institute of Strategic and International Studies [ISTS].

The think-tank on political and security issues expressed its concern during a recent informal meeting with ASEAN senior officials at the ASEAN Secretariat in Jakarta.

APEC has progressed very quickly while ASEAN's original role as a core member of the group has changed to take the form of less collective, more individual responses, ISTS notes.

Since the first APEC leaders' meeting in late 1993 in Seattle, it has been obvious that ASEAN members tend to take different positions at critical points, the think-tank said.

Malaysian Prime Minister Dr Mahathir Mohamed did not even attend the Seattle meeting since his country had initiated the East Asia Economic Caucus, a grouping that Washington felt would undermine US dominance in the region.

Because ASEAN failed to arrive at a united stand in terms of what it expected from APEC, the nature of ASEAN's participation in APEC, once a collective decision with feasible and appropriate coordination, has been shaken.

At the second APEC leaders' meeting in Bogor, host nation Indonesia tried to moderate disagreements and dissatisfaction among ASEAN members and the United States.

But Indonesia went far beyond other ASEAN members' expectations when it pushed for the adoption of a trade-liberalisation schedule advocated by APEC's Eminent Persons Group.

Indonesia proposed—and all participants eventually agreed—that by 2010 the developed countries in APEC would liberalise their trade and investment rules for all members, while the developing economies would open their markets by 2020.

That schedule is more advanced than the Common Effective Preferential Tariff strategy under the ASEAN' Free Trade Area [AFTA].

The ASEAN members, however, reluctantly bowed to the lobbying of President Suharto on the schedule.

ISIS believes it is time for ASEAN to reposition itself as the most dominant grouping in APEC since the larger organisation has many layers of impact on ASEAN as a whole and its individual members.

APEC leaders will meet in November in Osaka, where they are expected to give concrete shape to the Bogor declaration by accelerating liberalisation as soon as possible.

ASEAN, then, must ponder what role it will take in the new scenario while it deals with its own agenda on AFTA and the addition of Vietnam as a member in July.

The think-tank's modest and preliminary statement on the issue has not drawn much attention from senior officials, but it reflects the fact that ASEAN may need to arrive at some resolutions before the Osaka meeting, said a source who attended the talks

Thailand Urges Gradual Financial Liberalization

BK2504132595 Bangkok BANGKOK POST in English 25 Apr 95 p 15

[Report by Wichit Sirithawiphon in Phuket]

[FBIS Transcribed Text] In contrast to calls by most ASEAN members for the immediate liberalisation of the financial sector, Thailand prefers a more gradual approach, according to a Thai official attending the ASEAN meeting in Phuket.

The opening of the financial sector among ASEAN members was the key issue discussed by the ASEAN working committee which met on April 23-24 to consider liberalisation of the service sector.

Thailand called for a gradual liberalisation of the financial sector, arguing that businesses in its service sector need ample time to adjust.

The ASEAN economic ministers' body will have to study the disagreement and rule on the issue, presenting their decision at the ASEAN leaders' summit in December.

Edsel T. Custodio, the Philippine economic official who chairs the working group on the service sector announced at the meeting's conclusion yesterday that consideration of the draft agreement on services among ASEAN members will be based on the General Agreement on Trade in Services (GATS).

As much as 85 percent of the agreement has been drafted and is scheduled to be completed in September in time for the meeting of the ASEAN economic ministers in Brunei. Under the draft agreement, various trade barriers in the service sector will be slashed or even lifted.

Regarding the rule of origins, it has not yet been made clear what proportion of investment in the service sector will be from ASEAN as opposed to non-ASEAN countries. Some segments of the service industry are highly sensitive and may call for up to 40 percent of investment to come from ASEAN nations.

ASEAN Intellectual Property Pact Drafted

BK2604120995 Bangkok BANGKOK POST in English 26 Apr 95 p 16

[First paragraph is BANGKOK POST introduction]

[FBIS Transcribed Text] The second revised draft of the ASEAN Framework Agreement on Intellectual Property Cooperation has received a final touch by an ASEAN working group headed by Intellectual Property Division director Wirawit Wiraworawit and will be proposed to the ASEAN economic ministers' meeting in Phuket this weekend.

ASEAN members say they hope the framework agreement on intellectual property rights will provide a firm basis for economic progress and prosperity.

They say they recognize a need to promote close cooperation and understanding among countries in the region in terms of intellectual property and related fields to contribute to regional dynamism and growth.

ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

The agreement is:

Article 1: Objectives

1. Member states shall strengthen their cooperation in the field of intellectual property through an open and outward looking attitude with a view to contributing to the promotion and growth of regional and global trade liberalization.

2. They shall promote cooperation in the field of intellectual property among government agencies as well as among the private sectors and professional bodies of ASEAN.

3. They shall explore appropriate intra-ASEAN cooperation arrangements in the field of intellectual property, contributing to the enhancement of ASEAN solidarity as well as to the promotion of technological innovation and the transfer and dissemination of technology.

4. They shall endeavor to explore the possibility of initiating an ASEAN patent system to promote the regionwide protection of patents, bearing in mind the

modalities of the Patent Cooperation Treaty, the European Patent System, and developments on regional and international protection of patents as well as studying the desirability and practicability of setting up an ASEAN Patent Office, the competence and modalities of which shall be determined by consensus of member states.

5. They shall endeavor to explore the possibility of initiating an ASEAN trademark system to promote regionwide protection of trademarks bearing in mind the modalities of the European Trademark Office, the Trademark Law Treaty, and developments concerning international and regional regimes of trademark protection, as well as studying the desirability and practicability of setting up an ASEAN Trademark Office, the competence and modalities of which shall be determined by consensus of member states.

6. They shall have close consultation on the development of their domestic laws with a view to creating ASEAN norms and practices which are consistent with international standards as embodied in the Agreement on Trade Related Aspects of Intellectual Property Rights (the agreement on TRIPs).

Article 2: Principles

1. Member States shall abide by the principle of mutual benefit in the implementation of measures or initiatives aimed at enhancing ASEAN intellectual property cooperation.

2. All member states shall participate in intra-ASEAN intellectual property arrangements. However, in the implementation of such arrangements, two or more member states may proceed first if other members are not ready to implement the arrangements.

3. They shall strive to implement intra-ASEAN intellectual property cooperation arrangements which are beneficial to producers and users of technological knowledge and in a manner conducive to social and economic welfare.

4. They are mindful of the international obligations assumed under the provisions of the agreement on TRIPs and shall strive to observe and abide by the objectives and principles set out in Articles 7 and 8 of the agreement on TRIPs and to implement intra- ASEAN intellectual property arrangements in a manner consistent with the provisions of the agreement on TRIPs.

5. Member states shall recognize and respect the protection and enforcement of intellectual property rights in each member state and the adoption of measures necessary for the protection of public health and nutrition and the promotion of the public interest in sectors of vital importance to the members' socio-economic and technological development in accordance with Article 8 (1) of the agreement on TRIPs.

6. Member states are conscious of and understand the necessity for each member to adopt appropriate measures to prevent the abuse of intellectual property rights by rightholders or the resort to practices which unreasonably restrain trade or adversely affect the international transfer of technology in accordance with Article 8 (2) of the agreement on TRIPs.

Article 3: Scope of Cooperation

1. Cooperation shall include inter alia, the fields of copyright, patents, trademarks, designs, geographical indications, trade secrets, know-how and integrated circuits.

2. Cooperative activities in this agreement shall include, inter alia;

a. The exchange of information on intellectual property issues

b. Human resources development;

c. Exchange of personnel and experts;

d. Comparative study of the procedures, practices, and administration of intellectual property;

e. Use of automation to improve the administration of intellectual property;

f. Promotion of the public awareness of intellectual property rights:

g. Activities related to the implementation of the agreement on TRIPs as determined by member states and

h. Other cooperative activities as determined by member states.

Article 4: ASEAN Committee on Intellectual Property

A permanent ASEAN Committee on Intellectual Property shall be established of representatives from member states. The committee shall meet on a regular basis to monitor the progress of any arrangement and cooperative activity arising from this agreement and to submit its findings and recommendations to SEOM [Senior Economics Officials Meeting].

The ASEAN Secretariat shall give necessary secretariat support to the committee.

Article 5: Consultations

1. Member states shall accord adequate opportunity for consultations regarding any representations made by other member states with respect to any matter affecting the implementation of this agreement. The committee referred to in Article 4 of this agreement may seek guidance from the AEM [ASEAN Economic Ministers Meeting] or SEOM in respect of any matter for which it has not been possible to find a satisfactory solution during previous consultations.

2. Member states which consider that any other member has not carried out its obligations under this agreement may, with a view to achieving a satisfactory resolution of the matter, make representations or proposals to the

other member concerned which shall give due consideration to the representations or proposals made to it.

3. Any difference between the members concerning the interpretation or application of this agreement shall, as far as possible, be settled amicably between the parties. If such differences cannot be settled amicably, it shall be submitted to the committee referred to in Article 4 of this agreement and, if necessary, to the SEOM and finally to the AEM.

Article 6: General Provisions

Nothing in this agreement shall prejudice any existing or future bilateral or multilateral agreement formed by a member state or the domestic laws of each member state related to the protection and enforcement of intellectual property rights.

Article 7: Funding

Activities under this agreement will be subject to the availability of funds and to the applicable laws and regulations, policies and programs of member states. Expenses incurred as a result of any activity undertaken by a member to fulfill the objectives of this agreement shall be borne by the member concerned unless there is prior consensus by all members to the contrary.

Article 8: Final Provisions

1. The respective governments of member states shall undertake the appropriate measures to fulfill the agreed obligations arising from this agreement.

2. Any amendment to this agreement shall be made by consensus and shall become effective upon acceptance by all member states.

3. This agreement shall be effective upon signing.

4. This agreement shall be deposited with the Secretary General of the ASEAN Secretariat who shall likewise promptly furnish a certified copy thereof to each member state.

5. No reservation shall be made with respect to any of the provisions of this agreement.

ASEAN Considers AFTA Agriculture Tax Cut

Malaysia Resisting Plan

BK2704063095 Bangkok THE NATION in English 27 Apr 95 pp B 1, 2

[FBIS Transcribed Text] Discussions at the Afta [Asean Free Trade Area] Council Meeting in Phuket to determine whether non-processed agricultural products should be included on the sensitive list of the Asean Free Trade Area (Afta)'s tariff reduction scheme seem to have been opposed by Malaysia, according to Thai officials familiar with Afta.

An official said the backbone of the discussions revolved around the inclusion of non-processed agricultural goods on the sensitive list of Afta's duty reduction scheme.

According to Finance Minister Tharin Nimmanhemin, the inclusion of nonprocessed agricultural products in Afta's tariff reduction scheme will benefit Thailand because it will open ASEAN agricultural markets further.

Since Thailand is a major agricultural exporter, the country will be able to increase exports to ASEAN countries, in turn strengthening economic cooperation between them, said Tharin.

The same Afta official said the finance minister has been given a leading role in directing Thailand's economic matters because he pledged to locate an Afta Unit at the Finance Ministry following last year's Afta meeting in Chiang Mai.

As a result, the Finance Ministry will formulate Thailand's economic stance, with cooperation from the Industry Ministry and Agriculture and Cooperatives Ministry, together with the Thai Chamber of Commerce, a source said.

Thailand has indicated a progressive stance whereby the Finance Ministry announced the protection of only 47 lists of agricultural goods proposed for the sensitive list and exclusion from the tariff reduction scheme.

The source said Thailand's 47 lists of agricultural goods are less than those of other ASEAN members, which means Thailand is serious about regional economic cooperation.

The source added Tharin has pledged to reduce import tariffs on agricultural goods at the same time as industrial products, but the plans have not yet been officially announced.

The source commented that Thailand does not stand to lose from the inclusion of agricultural products in Afta's tariff reduction scheme, adding Tharin will face obstruction from his Malaysian counterpart. Malaysia sent a permanent secretary from its Finance Ministry—a lower ranking official than those sent by other countries—to the current Afta Council Meeting.

Malaysia is the only country which has proposed agricultural goods go on a permanent exclusion list. Other members are content to include theirs on the sensitive list. It had been agreed earlier that goods not included in the tariff reduction scheme will come under special arrangements.

The sensitive list will allow future liberalization measures. (endall) 27 apr sb/ng/nc NG502704.020 27/0630

Ministers Agree on Cut

BK2704050595 Bangkok BANGKOK POST in English 27 Apr 95 p 7

[FBIS Transcribed Text] Phuket—ASEAN senior economic ministers yesterday agreed to bring non-processed agricultural goods under the AFTA [ASEAN Free Trade Area] tariff reduction scheme.

A senior Thai official attending the Senior Economic Official Meeting said the non-processed agricultural goods would be divided into three categories:

—One category of goods for which tariffs can be immediately cut to 0-5 per cent in the year 2003;

—One category in a temporary list which will come under AFTA's normal tariff reduction scheme stipulating the tariff must be reduced by 20 per cent annually; and

—A last category in which goods are on a sensitive list on which tariff reduction will be more flexible.

The source said the meeting proposed the tariff cut plan of goods in the sensitive list should be clearer, meaning the tariff rate should be reduced to 20 per cent by the year 2003.

Thailand, according to the source, has wanted tariffs in the sensitive list to be cut to 10 per cent by the year 2003, whereas the Philippines wants the rate to be 20 per cent.

A final decision on this issue will be made at an AFTA Council meeting today.

The source said that at yesterday's meeting Malaysian representatives did not mention an earlier proposal to bring the number of non-processed agricultural goods into the Permanent Exclusion List under which a tax reduction plan is not required.

The source said Kuala Lumpur had dropped the proposal because of recent political developments which saw the UMNO [United Malays National Organization] party retain its majority vote in Parliament.

There are 520 goods in the temporary list and 282 items in the sensitive list.

ASEAN To Speed Up SRV Entry Into AFTA

BK2704051095 Bangkok BANGKOK POST in English 27 Apr 95 p 28

[FBIS Transcribed Text] A working group has been handed the task of looking into the details of how to speed up Vietnam's application for membership of the ASEAN Free Trade Agreement [AFTA].

Vietnam will be accepted as a new member of ASEAN at the Foreign Ministers' Meeting in Brunei in July.

As a member, the country is to abide by the regulations of the association to join any scheme created, including the vital Common Effective Preferential Tariffs (CEPT) of AFTA.

The country is in the transition between a centralised and a market economy, but the latest remarks by the Vietnamese minister in Singapore hint that it requires a grace period for adaptation before fully opening up its economy to ASEAN partners.

Recently, Mai Van Dau Vietnam's Vice Minister of Trade, was in discussion with Deputy ASEAN Secretary General Mahadi bin Haji Washi in Jakarta and confirmed its willingness to accept the CEPT.

But it asked for assistance from ASEAN in various aspects such as how to set up a timetable for the tax and tariff reduction programme and training of Vietnamese officials.

"However, they admit that the country needs a bit more time to adjust their economy's structure before exposing it to ASEAN members," ASEAN Secretary-General Datuk Ajit Singh told the Business Post in Jakarta.

The newly set-up working group will go through the details of implementation such as how the ASEAN members play a supporting role for Vietnam in attaining the AFTA requirements and what tasks Vietnam must undertake, according to a source who attended the senior economic officials' meeting.

The preparatory working group comprises officials from all related ministries of the ASEAN member states.

Mekong Ministerial Meeting Opens 25 Apr

BK2604125495 Rangoon TV Myanmar Network in Burmese 1330 GMT 25 Apr 95

[FBIS Translated Excerpt] The ministerial meeting of the inception meetings of the Subregional Transport Forum and the Subregional Electric Power Forum was held at 0900 this morning in the International Business Center on Prome Road, Yangon [Rangoon] under the program for promoting cooperation among the six nations in the Mekong Region—Cambodia, the People's Republic of China, the Lao People's Democratic Republic, Thailand, Vietnam, and the Union of Myanmar [Burma].

Vice Admiral Maung Maung Khin, deputy prime minister and member of the State Law and Order Restoration Council, delivered an opening address at the meeting. [passage omitted on attendance]

Vice Adm. Maung Maung Khin said the past history has shown that the colonial governments, which once existed in our region, built railway and roads to support and serve their administrative tasks. The structure of express highways and railways were oriented toward major towns, administrative centers of townships and villages, areas providing important natural resources for their motherland, and places of strategic importance in their colonies. The development of roads and a railway system then was to serve the colonial administration. The distribution of infrastructure was not to serve general development and comfort, but to facilitate and connect channels of influence.

He said through the flowing waters of the Mekong River, all the countries of the region will be united in spirit and in reality to take advantage of the benefit of cooperation. The depletion of natural sources of energy follows from growing power consumption. In a way, he said, growing demand for power could be met by means of power interconnections and power trade. Such interconnections and trade create mutual benefit. However, they demand a maturity of goodwill and a maturity of relationship. He added the idea of the greater Mekong creates a new sense of possibilities for us. It is a vision which coincides with our values, our principles, and our interests.

He said he is confident that the delegates will be able to come up with the necessary levels of conception to create the deserved benefit for all our people. He expressed his pleasure at the presence of delegates from various countries and the Asian Development Bank [ADB] and concluded his speech by wishing success to the delegates.

Next, Mr. Chea Chanto, Cambodian minister of planning, spoke about the construction of roads in Cambodia under the transportation sector, the most beneficial way of utilizing water resources, the production of hydroelectric power, and uniform regulations for the subregion to enable outstanding cooperation among the countries of the greater Mekong region.

Mr. Ye Jishan, deputy director of the PRC Ministry of Electric Power, spoke about the successful implementation of the ADB technical assistance project aimed at promoting mutual cooperation and benefit. He said outstanding results were achieved due to cooperation, participation, and assistance rendered by the countries concerned. He said the PRC Government attaches importance to great economic cooperation and friendly relations with countries in the region.

Mr. Phao Bounnaphun, minister of transport, posts, and communications of Laos, discussed the progress of development projects in the Mekong subregion and expressed appreciation for assistance extended by the ADB to the Mekong Committee and Interim Mekong Committee as well as to the Mekong River Commission.

Next, Thai Deputy Prime Minister Suphachai Phanitchaphak, spoke about the assistance extended in recent years by Thailand for basic infrastructure and energy development under the program for economic cooperation in the subregion. He cited the $2 million assistance for upgrading Luangprabang Airport in 1992, $6 million for upgrading Highway No. 5 in Cambodia and construction of three friendship schools, and $12 million in soft loans for construction of a road connecting Thailand, Myanmar, and the PRC. He also cited the establishment of the Export and Import Bank of Thailand and provisions for $1,500 for accelerated implementation of joint projects and $15 million in assistance for expertise.

He expressed satisfaction with the active role in development by foreign investors and international organizations in the recent years and spoke of more encouraging developments to come. However, he said it is important to create favorable economic and social conditions. He said transport and electric power sectors are basic and important sectors and that Thailand will always cooperate fully.

Next, Dr. Tran Can, deputy chairman of Vietnam's Public Planning Committee, explained that the Vietnamese Government considered the transportation and energy sectors to be of priority in implementing projects. He said aside from financial resources, it is important for members of the subregion to reach an agreement on institutional systems for long-term cooperation.

Next, Mr. (Boon Sat Li), deputy chairman of the ADB, expressed appreciation for the active participation by Myanmar in cooperative endeavors of the subregion and for hosting meetings such as the current forum. He said the international economic situation in recent years has been marked by growing competition and barriers and the developing countries have responded to the situation with cooperation and sharing of technology among neighboring countries and effectively using manpower and natural resources. Therefore, cooperation among the governments in the region and subregion is essential in order to create favorable conditions. Direction toward economic cooperation in the Mekong subregion was perceived as practical and agreement was reached to adopt this beneficial strategy. Under this strategy, there should be a focus on new opportunities for cooperation across borders.

Continuing, he said the third meeting on economic cooperation held in Hanoi last year reached an agreement on priority projects in the subregion and 75 initial areas of cooperation. Furthermore, cooperation would be made in the telecommunications field. The ADB had extended assistance to enable individual countries to implement priority projects within the subregion and lay down the basis for cooperation. There has been progress in the implementation of priority projects in the subregion. One of the finest examples being the agreement to build a gas pipeline from an offshore well to sell natural gas from Myanmar to Thailand. [passage omitted on further examples of cooperation]

Brigadier General Abel, minister of national planning and economic development, in his capacity as presiding chairman of the meeting delivered a closing address. [passage omitted on opening remarks] He said: The remarkable point is that the discussions and reports presented at the transportation forum and electric power forum smoothed out bottlenecks and paved the way for practical solutions. The draft document on the organizational aspect of development of the greater Mekong region provides clear perception for the entire program in the future. Furthermore, this draft document promotes further cooperation and full understanding among our six countries to achieve lasting success in the Mekong region development scheme. [passage omitted on opening remarks]

The meeting ended successfully in the evening.

Development Forums Established

BK2604122695 Bangkok BANGKOK POST in English 26 Apr 95 p 6

[Report by Nutsara Sawatsawang Rangun]

[FBIS Transcribed Text] Thailand and the other riparian countries of the Mekong River yesterday set up two forums to implement development projects in the region.

The Sub-regional Electric Power Forum and the Sub-regional Transport Forum, which are at the ministerial level, were established during the inception meeting organized by the Asian Development Bank.

They will coordinate projects in the two fields to be jointly carried out by Thailand, Burma, Cambodia, China, Laos and Vietnam. Deputy Prime Minister Suphachai Phanitchaphak represented the Government in the two-day meeting

Burmese National Planning and Economic Development Minister David Abel, Cambodian Planning Minister Chea Chanto, and the deputy director of the Chinese Electric Power Ministry's Economical Regulation and Control of State Property Department, Ye Jishan, represented their countries.

Laos was represented by Communications, Transport, Posts and Construction Minister Phao Bounnaphon, and Vietnam by the deputy chairman of the State Planning Committee, Tran Khai.

Mr. Suphachai said the forums will play a role in consulting, making policy and approving projects whose studies have been carried out and prepared for implementation.

They will consult with donors for financial arrangements, he added.

The establishment of the forums was proposed in the last Greater Mekong Sub-regional Economic Cooperation meeting last September in Chiang Mai Province.

The forums will be held once a year and heads of the delegations from the six countries are flexible.

However, Mr. Suphachai opposed the idea, saying that every country should appoint permanent members in the policy-making level to be in the bodies, because they need continuity to assure investors.

Mr. Suphachai said the forum on Electric Power will be responsible for about 20 hydropower projects mostly in Laos, including the one in Jing Hong hydropower project proposed by the Chinese delegation.

Thailand had proposed conveying the study of transmission lines system in the region to find ways to reduce energy prices and increase efficiency in producing electricity, he said, adding that the project needed two or three years to complete.

The deputy prime minister explained that the transport sector has first priority in conducting the Bangkok-Phnom Penh-Ho Chi Minh City-Vung Tau road development project, which has been financially approved by the Japanese Government.

He said the forum needed to work out the soft aspects, such as how to harmonize responsibilities and regulations to facilitate the transport of people and goods.

To Offer Burma, PRC Membership

BK2604152095 Bangkok BANGKOK POST in English 26 Apr 95 p 6

[FBIS Transcribed Text] The newly-established Mekong River Commission will extend an invitation in July to Burma and China to join its body, a senior Lao government official said yesterday.

Kithong Vongsai, president of the Lao Mekong Committee said invitation letters to the two countries would be issued by Cambodia, which is chairing the first formal meeting of the commission in Phnom Penh in July.

Mr Kithong's committee is in charge of issues concerning the Mekong River and the commission.

The decision underlines commission's attempt to have all countries sharing the Mekong River to be included in the organisation, which currently includes Thailand, Cambodia, Laos and Vietnam.

It was set up on April 5 in Chiang Rai in an accord signed by four ministers. Burma and China were among observers.

Mr Kithong, who is also Lao deputy chairman of the State Committee for Planning and Cooperation, said invitation letters would represent the united stance of the grouping.

"The chairman will issue the invitation letters on behalf of all members," he said. "However, whether they join us depend upon their decision.

Mr Kithong is leading a Lao delegation attending the ongoing meeting of the 51st session of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) in Bangkok.

In a speech prepared for the ESCAP meeting, Mr Kithong said his government is looking forward to Beijing and Rangoon's decision to be part of the commission.

However, Burma and China have not yet indicated whether they will apply to become new members despite saying they will cooperate with the four countries.

In Rangoon, Burmese and Chinese officials said they had not made a decision to join the commission but will cooperate with the body to develop the river.

ROK To Host Next ESCAP Meeting

SK2604112395 Seoul YONHAP in English 1107 GMT 26 Apr 95

[FBIS Transcribed Text] Bangkok, April 26 (YONHAP)—South Korea will host the next coordinating meeting of the Economic and Social Commission for Asia and the Pacific (ESCAP) in Seoul during the first quarter of next year.

This was agreed on between South Korean Vice Foreign Minister Yi Si-yong and the ESCAP secretary-general in their meeting Tuesday afternoon.

Yi is attending the 51st ESCAP general meeting which opened here Monday, serving as deputy chairman.

In the meeting, the secretary-general said he would study Yi's request to increase South Korean staff members of the ESCAP secretariat from the current two and expressed hope to visit Seoul in the near future when Yi invited him.

Yi also met Japanese parliamentary Vice Foreign Minister Hakuo Yanagisawa and discussed North Korea's nuclear issue and other issues of common interest.

Japan

Ruggiero Comments on Deadlocked Auto Talks

OW2704053495 Tokyo ASAHI SHIMBUN in Japanese 26 Apr 95 Morning Edition p 12

[Report on interview with Renato Ruggiero, director general-designate of the World Trade Organization [WTO] by ASAHI SHIMBUN on 25 April; place not given]

[FBIS Translated Text] Renato Ruggiero, who will assume the post of director general of the World Trade Organization (WTO) next week, granted an interview to ASAHI SHIMBUN on 25 April and commented on the deadlocked negotiations between Japan and the United States over automobiles and the auto parts sector. He said: "Although threats and pressure may be commonly used in trade negotiations, I feel very little concern over the possibility that the United States may violate the WTO's trade rules. What is important is that the successful outcome of the negotiations be made applicable to [Japan's trade relations with] countries other than the United States as well." Ruggiero thus indicated hope that the results of the negotiations will be equally applicable to Japan's trade relations with other countries.

The WTO, which stipulates fair trade rules, prohibits signatory countries from resorting to unilateral measures, such as raising tariffs. Although there are views that the United States may impose sanctions against Japan should negotiations over automobiles and the auto parts sector fail to progress, Ruggiero indicated he was optimistic about the outlook: "I do not think there will be any violation of WTO rules." He added: "The results of the negotiations should be expanded to encompass [Japan's trade relations with] other countries." Ruggiero thus stressed that the successful outcome of the negotiations should apply to Japan's trade relations with other countries, including European nations, which want to increase their Japanese exports.

In Japan-U.S. negotiations, Japan has agreed to give wider access to U.S. firms in its financial services market. Ruggiero praised Japan for indicating it is prepared to let the results of negotiations with the United States apply to its trade relations with other countries, saying: "It is important that the agreements reached in this sector apply to other countries as well."

Encourages Settlement Without Suit

OW2604145195 Tokyo NIHON KEIZAI SHIMBUN in Japanese 25 Apr 95 Evening Edition p 2

[FBIS Translated Text] Speaking on the stalled Japan-U.S. economic framework talks on auto and auto parts, Renato Ruggiero, visiting World Trade Organization (WTO) director general-designate, said, "There is a way to resolve the conflict between the two countries without ruining the multinational framework." He made these remarks in a meeting with several reporters on the morning of 25 April. He hoped for a settlement of the dispute without the filing of complaints by the two countries regarding WTO agreement infringements. Regarding the question of China and Taiwan joining the WTO, he said: "The Executive Council has already decided to separately negotiate with them on their membership. Preparations for their participation are being made simultaneously, and will proceed smoothly." He reiterated that the two countries are likely to become WTO members.

At the Japan-U.S. auto talks, the United States is assuming an attitude of possibly resorting to sanctions against Japan. Although refraining from directly naming the United States, Ruggiero called for self-restraint, saying, "I do not think there are any countries making threats that run counter to the WTO rules." He then urged that the two nations settle the dispute based on the multinational trade rules, saying, "The WTO hopes for a settlement that could be applied to other nations' problems."

Chances of High-Level Auto Talks Said Rising

OW2704110895 Tokyo KYODO in English 1048 GMT 27 Apr 95

[FBIS Transcribed Text] Tokyo, April 27 KYODO—Japan and the United States will not meet Friday [28 April] to discuss auto trade but the chances are rising that cabinet ministers will take up the dispute in coming talks in Canada, a Japanese trade official said Thursday [27 April].

A third day of expert-level talks had been penciled in for Friday, both sides said earlier in the week, but after Thursday's talks, a ministry of international trade and industry (MITI) official said the U.S. negotiators were going home.

Asked whether the fractious talks could be taken up by MITI Minister Ryutaro Hashimoto and U.S. Trade Representative Mickey Kantor bilaterally when they attend a may 3-5 trade ministers' meeting in Vancouver, the official said, "the possibility is quite high."

Such a cabinet-level meeting would require more groundwork at the expert-level and then the vice minister level, he added.

The Tokyo talks Wednesday and Thursday did not narrow basic differences over expanding foreign automakers' access to dealerships or deregulating the repair parts market, but they "deepened their understanding of the structure of the gaps," the MITI official said.

With each side now better understanding the other's positions and the areas of difference, the working-level negotiators have done all they can without the impetus of higher officials, he indicated.

The official also repeated miti's opposition to U.S. insistence that Japanese automakers increase their plans to purchase foreign car parts—an area that Japan has banned from the negotiating table.

If the U.S. drops its insistence that Japanese automakers' participation is key to a solution, then "the chance for an agreement has grown quite high," he said.

The issue of "voluntary plans" should be closed because makers at the top level have told U.S. Ambassador Walter Mondale that they do not intend to supplement earlier purchasing plans, he added.

A U.S. official said he has seen no indication in the two days of expert- level talks that the auto issue was being passed up to higher officials, adding he has not heard of a time frame being set for Hashimoto and Kantor to meet on autos in Canada.

Generally speaking, the "quadrilateral" talks provide plenty of chances for ministers to meet informally, but nothing happened in the Tokyo talks to make a bilateral meeting more likely, he said.

He also predicted no expert-level talks next week.

The official agreed with the MITI official that both sides understand each other better but said there has been no progress on major issues and "marginal progress" on less important matters.

"At the margins of the issues, there is more give and take on the Japanese side," he said, citing import promotion, standards and certification and some areas of parts deregulation handled by the transport ministry.

He said there is no change on the major issues, including the U.S. insistence that automakers agree to increased "voluntary plans."

The official also said he has not heard of Washington setting any deadline for progress in the auto talks to prevent the U.S. from publishing a list of items targeted for possible sanctions under section 301 of U.S. Trade Law.

Japan has stepped up the rhetoric this past week on its intended response if the U.S. moves toward trade sanctions, with some officials hinting that Tokyo will immediately file a complaint with the World Trade Organization (WTO) if Washington publishes a sanctions list.

Tokyo May Oppose Extension of U.S. Chip Accord

OW2704051395 Tokyo KYODO in English 0444 GMT 27 Apr 95

[FBIS Transcribed Text] Tokyo, April 27 KYODO—International Trade and Industry Minister Ryutaro Hashimoto hinted to electronics industry leaders Thursday [27 April] that Japan will oppose extension of a semiconductor agreement with the United States.

Flanked by other industry leaders at a morning meeting with Hashimoto, the chairman of the Electronic Industries Association of Japan, Tadahiro Hashimoto, strongly urged the minister not to extend the chip agreement beyond its July 1996 expiration, a ministry official told reporters.

Hashimoto did not respond directly to the question from Sekimoto, who is also chairman of NEC Corp., the official said.

But the minister brought up current strained Japan-U.S. auto trade talks, saying he could not accept "so-called numerical targets" or what he called government pressure on industries.

The official at the Ministry of International Trade and Industry (MITI), briefing reporters on the morning meeting, said MITI has not officially decided its position on the semiconductor agreement, but said Japan sought last summer to cancel the agreement, while the U.S. sought to extend it for two years.

The 1991 bilateral semiconductor agreement calls for Japan to maintain "a gradual and steady increase" above 20 percent in the market share held by foreign chips.

Foreign share hit records of 24.7 percent under the MITI formula and 23.7 percent under the U.S. calculating method in the July-September quarter, both sides reported last month.

MOF's Saito Praises G-7 Currency Statement

OW2704115295 Tokyo KYODO in English 1117 GMT 27 Apr 95

[FBIS Transcribed Text] Tokyo, April 27 KYODO—A top official of the Finance Ministry on Thursday [27 April] praised a statement issued by finance ministers and central bankers from the Group of Seven (G-7) industrial nations on the occasion of their Tuesday meeting in Washington.

The statement saying the G-7 nations will seek the "orderly reversal" of recent developments in currency markets is "strong," Vice Finance Minister Jiro Saito told reporters.

Although the statement did not urge the U.S. Government to implement measures, such as raising interest rates, to halt the dollar's continued slide, Saito said the G-7 is not a place to ask member countries to carry out specific policies.

Japan will continue efforts to stabilize exchange rates in cooperation with other countries, Saito added.

The G-7 nations are Britain, Canada, France, Germany, Italy, Japan and the United States.

Saito welcomed the appointment of the chairman of the Bank of Tokyo, Toyoo Gyohten, as a "special ambassador" to Finance Minister Masayoshi Takemura, saying the former Finance Ministry official is most suitable for the position due to his international recognition and experience.

Tamazawa Said To Seek Logistics Pact With U.S.

OW2604124995 Tokyo KYODO in English 1235 GMT 26 Apr 95

[FBIS Transcribed Text] Tokyo, April 26 KYODO—Japan will seek an agreement with U.S. Forces for mutual supply of fuel, equipment and services that would also set up legal basis for Japan's logistic backup for a possible U.S. blockade of the Korean peninsula, Defense Agency [DA] sources said Wednesday.

Defense Agency chief Tokuichiro Tamazawa will tell U.S. Defense Secretary William Perry at a meeting in early May that the Japanese Government will submit a bill for the agreement to the ordinary Diet session next year, the sources said.

The move comes in response to the U.S. request for such a pact since 1988 and represents a major policy shift.

Tamazawa will tell Perry in their planned meeting May 2 that the agreement, for the time being, should be applied only to joint military drills and humanitarian activities like those in the peacekeeping operations by the United Nations, the sources said.

The agency expects the supply of goods and services by the Self- Defense Forces to the U.S. Forces under the pact would be far larger in amount than vice-versa, they said.

Some agency officials are apparently concerned the United States could eventually seek Japan's unilateral free-of-charge contributions.

Tamazawa will tell Perry that a method of payments to fit the Japanese accounting system should be adopted for the mutual aid, the sources said.

The items expected to be supplied under the agreement include fuel, food, clothes, board, as well as inspection and repair work for aircraft and ships, transport, medical, telecommunications, storage and other services, the sources said.

Owada Stresses Tokyo's Role in UN Reform

OW2704091695 Tokyo EKONOMISUTO in Japanese 28 Mar 95 pp 74-77

[Interview with Ambassador to the United Nations Hisashi Owada by MAINICHI SHIMBUN New York Bureau Chief Moritatsu Tahara; place and date not given]

[FBIS Translated Text] [Tahara] With the Cold War now behind us, the UN has reached its 50th year. What is the state of discussion concerning UN reform as a whole, including the Security Council?

[Owada] Concerning the trend of reexamining the UN, there are roughly three pillars. In each area, active, full-scale discussions are taking place.

First, there is reform of the political dimension.

As you know, we cannot say that, in reality, the UN was active as a central force in the maintenance of world peace and order, in the context of the long East-West confrontation. But since the Cold War ended, the situation has changed significantly.

Not only Russia, but the relative strength of the United States in international society has greatly changed. Therefore, it was inevitable for the UN to become the center of the so-called cooperative order: The UN is to maintain order by achieving the cooperation of international society, particularly from countries that can play a significant role.

Under such circumstances, there is strong recognition that the current international society must be reflected more accurately in the UN. To achieve this, reform of both the UN General Assembly and the Security Council—the political field—is necessary. The General Assembly, which is composed of 185 countries, is important when various issues are to be discussed together and consensus to be reached. But it is difficult for it to perform an executive role that responds to concrete situations.

For that reason, the Security Council was established in the UN Charter. But, people are beginning to recognize the fact that reform is indispensable in order for the Security Council to be able to respond appropriately when dealing with the issues of international society.

[Tahara] Do you mean there is recognition of the fact that Security Council reform is an urgent matter?

[Owada] That is right. The first issue that has come up is composition of the Security Council. The number of current UN member countries is 185, which is more than three times the number at the time the UN was founded. How can we reflect this fact in the composition of the Security Council? At the same time, it is a reality that the countries that have the power to assume responsibility and the determination to improve the world must be leaders of the Security Council. That is the reality of international politics.

All member countries have equal standing, but the countries that should be leaders have emerged in the past 50 years. On the basis of such reality, discussions have proceeded on the question of how reform should be accomplished.

Also, along with the composition issue, the management issue—in other words reform that will pick up and reflect the voices of member countries that do not have a seat on the Security Council—has also become a big issue.

The "North-South" Relationship Has Also Changed

[Tahara] UN Secretary General Ghali has pointed out that 70 percent of the UN's important functions have to do with economic and social development issues.

[Owada] That is the second pillar. In the economic area also, the East-West confrontation, in the sense of it being played out in North-South relations, cast a negative shadow on North-South relations. It was a distortion of the original goal of handling the development issue, which was how to bring the developing countries into the world economy. As a result, the North-South issue was transformed into an issue of the South making demands on the North and the North beating down those demands.

That approach should have ended with the Cold War. The developing counties have started thinking seriously about what should be done in the future. For example, the Southeast Asian countries were not affected very much by the Cold War and devoted their efforts to the development of their own countries and produced substantial results. In view of this reality, the other developing countries are also reexamining themselves.

In other words, the issue is how to realize development in the true sense. Recognition has increased that the development strategy should be for studies that benefit not only developing counties, but also the entire world, including developed countries.

Reform to expand the entire economic pie through cooperation between the North and South is necessary. It is the relationship of a North-South partnership: The North will also ultimately benefit from the realization of a unified world economy through the South's development.

[Tahara] That is new thinking on the North-South relationship—the North and South will profit together.

[Owada] That is right, but now it is in a transitional phase. It is as if both the old confrontational pattern of the North and South relationship and the cooperation pattern are jumbled together. Two different groups of developing countries exist: One assumes the position "we will not be fooled even though (the developed countries) offer sweet talk," and the other does not follow such a line.

[Tahara] What about the developed countries?

[Owada] There are problems for developed countries. They understand intellectually that it is a new era for North-South relations. But, partly because economic conditions in developed countries are not strong and because of fatigue from providing aid for a long time, it is undeniable that something akin to conservatism exists along the lines of "spare us from having to provide further assistance."

[Tahara] Developing countries are expressing their apprehension about developed counties' aid going to nations undergoing economic transition such as the former East European countries.

[Owada] Such feelings may exist among African countries. Traditionally, cooperation on the African continent has been provided mainly by Europe, which has a responsibility for former colonies. But it is a fact that Europe, in recognizing that "former East Europeans are fellow Europeans," is directing its attention to those countries.

But Japan, in the midst of expanding Official Development Assistance (ODA), which has not been influenced very much by countries undergoing economic transition, has been increasing its aid to the Middle East, Africa, and others, and has come to be relied upon by developing countries.

[Tahara] The UN's administrative and financial problems are also quite serious.

[Owada] Simplification of the UN's administration and improvement of its financial base, which are the foundation of UN activities, is the third pillar of the reform discussion.

Right now, the UN's imbalanced finances are the big issue. There are two approaches in dealing with this imbalance. One is to collect payment shares, which are obligatory expenses. Last year, only 75 member countries paid in full within the fiscal year. The other is that, though non-payers are surely to be blamed for nonpayment, payment shares should be determined more fairly. There is different thinking about what is fair and what is unfair, but the working group discussing this issue has finally begun discussions.

Under the surface, member countries are currently divided in two groups.

One group does not want to change the current rate of assessment, and the other does. Countries whose burden would increase if the rate of share assessment were to be changed insist "the problem arises because there are countries that do not pay." On the other hand, the view that "the current practice is not good" is also becoming strong. There is also the reality that some countries, which only recently gained independence, have to assume nearly the same payment share as some regional powers.

Great Expectations on Japan

[Tahara] Nonetheless, will the burden on Japan increase again if radical reform is adopted?

[Owada] Discussion has started on two fronts: Technical issues such as what to do with late payments and non-payments; and on radical reform such as reviewing share assessment ratios. It is important for Japan to tackle reform head on, recognizing that this is a financial crisis in which the very existence of the UN itself is at stake.

For one thing, there is the reality that the U.S. Congress has declared that the U.S. will reduce its payment share for peacekeeping activities (PKO) from the current 30 percent to 25 percent. Some have criticized the U.S. action, but it is also a fact there are problems in the way things are currently being handled. The UN has no choice but to respond quickly.

[Tahara] In the environment of such a great trend toward UN reform, what is Japan's responsibility?

[Owada] In all three areas, Japan is expected to play a greater role.

As for the first, the political area, there are no voices asking for Japan to play a military role. But the UN is making efforts to maintain peace to begin with. Japan is therefore expected to do various things more seriously in that regard. Also a view is emerging from among our neighboring countries that through such activities Japan can make a contribution to the world. For instance, Japan's role in the Middle East peace process—though it is not a central role—is being evaluated positively.

As for the economic area, an issue on which Japan has demonstrated competence, it is being asked to take on great responsibilities.

This is not only a matter of money, but also includes supplying wisdom and assume leadership. For instance, the Japanese contribution is important both for security and the developmental strategy that is the premise of economic development.

[Tahara] One example of which is the new North-South issue ? [Owada] As I said earlier, now that the Cold War has ended, the old patterned North-South issue is in a transitional phase. Japanese cooperation based upon North-South cooperation and the Japanese contribution toward South-South cooperation among the developing countries is important. Japan has not reduced its ODA, so when it makes such comments, it is persuasive. We can also say "we will continue to give aid as in the past, but there are things you developing countries can do for yourselves."

[Tahara] Are Japanese foreign relations, including ODA, not restrained within the large framework of U.S.-Japan relations?

[Owada] It is not that we oppose the United States; the area is increasing in which the United States and Japan must cooperate as global partners. In the area of economic cooperation and development, at times it is possible that Japan will take the initiative ahead of the United States.

Japanese ODA exceeds that of the United States, but its content is different, and we cannot simply compare figures. The important point is that the United States and Japan together create a strategy for development cooperation in the true sense, without political distortion.

[Tahara] In that sense, was the recent social development summit in Copenhagen significant?

[Owada] That the leaders from each country got together to consider this issue is significant. But the summit was not a conference to pledge funds for economic development. The point was to formulate ideas or plans to promote social development, which is the foundation for security and economic development; and to develop the human, social, and economic resources of each country.

[Tahara] At a working section meeting where development was studied, you officially pointed out the need to unify some, and abolish other UN organizations and services. Was this the first such complaint by Japan?

[Owada] We feel there is waste in UN organizations. But in the past, Japan has been like a good student in the UN; it did as it was told by the teacher, rather than coming up with any comments of its own. But in the future international society, this will not be enough. Our suitability as a leader will be questioned, so to be modest in the Japanese fashion will not work. We must say things we would rather not say. It could also well be a situation where people will listen, saying "if Japan insists so much, we should go along with them."

Next Six Months Is a Critical Time

[Tahara] How do the developing countries feel about the issue of rationalizing UN organizations?

[Owada] I think they recognize there is waste, as a general argument. But they also fear that the results of reform will affect them unfavorably. For example, the number of their own UN international staff workers will be greatly reduced....[ellipses as received]

[Tahara] At what speed will the Security Council's discussion on reform go forward?

[Owada] The next half year will be a definitive period. I do not mean that concrete decisions will be made in half a year. It is important that it be firmly recognized that reform of the Security Council is the basic issue for the UN to tackle immediately. Therefore, because of its importance, we cannot help if it takes time.

But, such a situation is very unfortunate not only for Japan but for the UN as a whole, if, after all the discussion the conflict of national interests cannot be solved and the issue is shelved.

The UN today is questioned as to whether it can become an organization truly playing the central role of promoting the stability and prosperity of international society. As long as the credibility of the Security Council itself is at issue, a conclusion should be reached quickly. It is not simply a narrow issue of whether or not Japan can become a permanent Security Council member nation.

I think it is good for the UN and for the world if Japan becomes a Security Council member. In fact, among the UN reforms, it is in the general atmosphere that it is natural Japan should become a permanent Security Council member.

What is important is that they should understand and support Japanese thinking. In other words, the great premise is what to do to improve the UN and Security Council. As to which way it will go, I think the next half year will be the definitive period.

[Tahara] Is the recognition that reform of the Security Council is urgent spreading in the UN, including among permanent Security Council members?

[Owada] (It may not be true with all the member countries) but the recognition is spreading, including among several of the permanent council member countries.

[Tahara] Lastly, I understand that you received inquiries from many countries concerning the Great Hanshin Earthquake.

[Owada] At the UN we received condolences for the victims and inquiries from all over the world. We also collected contributions within our mission. We only pray for the earliest recovery.

'News Focus' Previews Kono's Trip to Balkans

OW2704113195 Tokyo KYODO in English 0911 GMT 27 Apr 95

["News Focus" by Miu Oikawa Dieter: "Kono To Seek Bigger Japanese role in Balkans"]

[FBIS Transcribed Text] Tokyo, April 27 KYODO—Foreign Minister Yohei Kono's trip to Croatia and Hungary is aimed at stepping up Japan's involvement in the former Yugoslavia by making tangible contributions instead of merely extending financial aid, officials said.

"The visit is aimed at showing Japan's strong interest in the problems in the former Yugoslavia," a Foreign Ministry official said.

"We have been supporting international efforts to achieve peace and have given humanitarian aid worth more than 140 million dollars. But we want to boost our contributions in a way that shows Japan's 'face'," the official said.

In his five-day visit through May 2, Kono is scheduled to meet not only with Croatian and Hungarian officials but with United Nations officials and leaders from Macedonia, Bosnia-Herzegovina and the Federal Republic of Yugoslavia, the first such contact by a Japanese leader.

He will meet Bosnia-Herzegovina's Vice President Ejup Ganic in Zagreb and Vladislav Jovanovic, foreign minister of the Federal Republic of Yugoslavia, in Budapest—leaders from two countries Japan has not yet diplomatically recognized.

Ministry officials note the significance of Kono's upcoming trip as it is the first by a Japanese leader since the outbreak of ethnic conflicts in the former yugoslavia in 1991.

Meeting the leaders in the balkans ahead of the Group of Seven (G-7) economic summit in June in Halifax, Canada, is particularly appropriate since the long-running conflict in the region is likely to be high on the agenda, the officials said.

Kono told European ambassadors earlier this week that he believes Japan can adopt a "fair" position in hearing opinions from each warring faction in the former Yugoslavia because it does not have any historic ties with any of the parties.

But although the Japanese foreign minister is expected to call for, in general terms, the extension of the cease-fire agreement in Bosnia-Herzegovina which expires this month and continued efforts to achieve peace, he is likely to stop short of presenting any specific initiative by Japan to resolve the three-year conflict.

Japanese participation in UN peacekeeping operations in the region is not being considered at the moment, Foreign Ministry officials said.

From late 1993 to early last year, spurred by the appointment of a Japanese national, Yasushi Akashi, as the head of the UN Protection Force (UNPROFOR), Japan debated the possibility of joining the peacekeeping activities to play a greater role in resolving the conflict.

But it eventually decided not to join the operations for the time being but instead step up humanitarian aid to the war-torn region and economic cooperation to macedonia to prevent the spread of conflict there.

When Kono meets Akashi in Zagreb on Saturday, the chief of the UN peacekeeping operations is expected to brief him on the situation in the Balkan region while Kono will "encourage" Akashi, who has faced criticism for failing to achieve peace, according to the officials.

A ministry official said if Akashi urges Japanese participation in the operations during the talks, Kono will repeat the Japanese stance that it will consider the matter "as a mid-term to long-term task."

Instead of assuming a greater political role in the Balkans, Japan will seek to make a "tangible" contribution in the field of humanitarian aid.

Kono said in a meeting this week with UN High Commissioner for Refugees (UNHCR) Sadako Ogata that Japan has been offering financial aid until now but that it wants to make contributions that "shows Japan's presence" in the balkans.

As part of such efforts, Kono will pledge a project to jointly build a refugee camp with the UNHCR in Croatia, where nearly four million people have been displaced by the ethnic disputes.

Kono is expected to reveal the specifics of the 7 million dollar project when he meets Croatian Foreign Minister Mate Granic, the officials said.

The camp, to be built in Sisak, about 50 kilometers south of Zagreb by September or October, will accommodate about 1,000 refugees.

Japan hopes staff from Japanese nongovernmental organizations (NGOs) will be able to work there, the officials said.

Kono will also pledge a grant-in-aid totaling 500 million yen to Macedonia to help its international balance of payment, a ministry official said.

The aid is aimed at helping macedonia achieve economic stability, which in turn would help prevent the conflict in other former yugoslavian republics spilling over into the country, he said.

During his stay in Croatia from Friday through Sunday, the Japanese foreign minister will hold talks with Croatian President Franjo Tudjman, Prime Minister Nikica Valentic and Granic to discuss bilateral affairs and the regional situation.

He will also visit refugee camps in Novska and Kutina south of Zagreb.

In Hungary, where he will arrive on Sunday afternoon, Kono will hold talks with Hungarian Prime Minister Gyula Horn and Foreign Minister Laszlo Kovacs to discuss ways to strengthen Japan-Hungary relations and meet with Macedonian Foreign Minister Stevo Crvenkovski.

MOFA Confirms Russian Pipeline Explosion

OW2704065195 Tokyo KYODO in English 0628 GMT 27 Apr 95

[FBIS Transcribed Text] Tokyo, April 27 KYODO—Russia has confirmed that a gas pipeline exploded in the northern Ural Mountains but maintains the fire has already been extinguished and there were no casualties, the Japanese Ministry of Foreign Affairs [MOFA] said Thursday [27 April].

The ministry said Japanese Embassy staff in Moscow checked with Russia's Civil Defense, Emergencies and Natural Disasters Ministry earlier Thursday, after Japanese airline crew reported seeing a huge blaze northeast of Moscow.

The Russian ministry was quoted as saying the gas pipeline exploded, burning the gas, but that the accident was small-scale.

The ITAR-TASS News Agency reported earlier in the day that the blaze and smoke that Japanese airliner crew witnessed over Russia's Komi Republic was caused by a pipeline explosion in Vodonoe, about 11 kilometers south of Ukhta.

Crew members on a Japan Airlines (JAL) plane saw a blaze reaching 3,000 meters to 6,000 meters high while the plane was flying some 1,000 kilometers northeast of Moscow at 7:10 A.M. [2210 GMT] Thursday Japan time, JAL officials said.

Transport Ministry officials at Narita Airport, east of Tokyo, said people on three other Japanese airliners reported seeing smoke reaching around 10,000 meters high.

Russia's Rybkin Visits To Improve Bilateral Ties

Meets With Kono

OW2704115595 Tokyo KYODO in English 1053 GMT 27 Apr 95

[FBIS Transcribed Text] Tokyo, April 27 KYODO—Ivan Rybkin, chairman of the Russian Parliament's lower chamber, and Foreign Minister Yohei Kono agreed Thursday [27 April] on the need to enhance relations between Japan and Russia but remained at odds over the approach, a Foreign Ministry official said.

In a 40-minute meeting with Kono, Rybkin, who is on a three-day visit to Japan as chairman of the State Duma, called for stepping up trade and economic relations to help solve "unsettled" bilateral problems, the official said.

Kono, meanwhile, called for making progress in bilateral political relations to develop economic ties.

Kono told Rybkin that Japan wants to expand bilateral ties in a balanced way in both the political and economic spheres, based on the Tokyo declaration signed by Russian President Boris Yeltsin during his 1993 visit to Japan, and by then Prime Minister Morihiro Hosokawa.

The declaration said Japan and Russia should settle their territorial dispute on the basis of bilateral documents and the principles of law and justice.

Rybkin was quoted as saying he wants to work toward solving existing bilateral problems so that Moscow and Tokyo can conclude a peace treaty.

But Rybkin told Kono that the solutions to those problems are based on developing trade and economic ties between the two countries, which currently are not meeting their potential.

"Solutions to problems that could not have been solved 15 years ago could now be solved," Rybkin said. "All problems could be solved based on law and justice, but to do so, progress in trade and economic relations is important."

Tokyo and Moscow have been unable to sign a peace treaty in a dispute over four Russian-held islands off Japan's northernmost island of Hokkaido.

Japan has been claiming sovereignty over the four islands—Etorofu, Kunashiri, Shikotan and the Habomai islets—which were seized by the former Soviet Union at the end of World War II.

Rybkin also called for the early establishment of a government- level economic committee agreed upon by the two countries when Russian First Deputy Prime Minister Oleg Soskovets visited Japan in November.

Kono replied that Japan is currently studying the establishment of the committee, which Kono and Soskovets are to co-chair, the official said.

Earlier in the day, Rybkin met House of Representatives Speaker Takako Doi and agreed on the need for improved bilateral relations on the basis of the Tokyo declaration.

"I think we are close to the step of concluding a peace treaty between Russia and Japan. Ninety-five percent of the pending issues have been resolved and as for the unresolved 5 percent, we want to stress their importance," Rybkin was quoted as saying.

Rybkin, visiting Japan at Doi's invitation, is scheduled to meet Prime Minister Tomiichi Murayama on Friday. He is to leave Japan on Saturday.

Calls on Takako Doi

OW2704133395 Tokyo KYODO in English 0842 GMT 27 Apr 95

[FBIS Transcribed Text] Tokyo, April 27 KYODO—The chairman of the Russian parliament's lower chamber, Ivan Rybkin, and House of Representatives speaker Takako Doi on Thursday [27 April] called for improved bilateral relations on the basis of the 1993 Tokyo declaration, government officials said.

The declaration was signed by Russian President Boris Yeltsin during his 1993 visit to Japan along with then Prime Minister Morihiro Hosokawa.

Doi said, "we strongly request as soon as possible a resolution of the territorial problem pending between the two countries, the conclusion of a peace treaty and the creation of friendly and cooperative relations based on trust," according to the officials.

Rybkin replied that he wants to see improved relations "on the basis of law and justice from the principle viewpoint spelled out in the declaration."

"I think that we are close to the step of concluding a peace treaty between Russia and Japan. Ninety-five percent of the pending issues have been resolved and as for the unresolved 5 percent, we want to stress their importance," he was quoted as saying.

Japan is demanding the return of a group of Russian-held islands in the northern Pacific, known as the northern territories in Japan, that were overrun by Soviet troops at the end of World War II.

The 1993 Tokyo declaration said the territorial dispute should be settled on the basis of bilateral documents and the principles of law and justice.

Rybkin, chairman of the State Duma, is visiting Japan at Doi's invitation and is scheduled to meet Prime Minister Tomiichi Murayama and foreign minister Yohei Kono before leaving on Saturday.

Hokkaido-Sakhalin Ferry Begins Service

OW2704015095 Tokyo KYODO in English 0029 GMT 27 Apr 95

[FBIS Transcribed Text] Wakkanai, Japan, April 27 KYODO - A group of Japanese residents and their family members on the Russian Far East island of Sakhalin arrived in Hokkaido's northernmost port of Wakkanai on Thursday [27 April] for a 12-day visit to Japan.

The group consists of 68 Japanese who were left behind in Sakhalin after World War II and 13 of their descendants.

They arrived in the port on the first regular service by a Russian ferry between Hokkaido and Sakhalin.

They will visit their relatives in Japan before leaving Wakkanai for home May 8.

LDP Supports Participation in Golan Mission

OW2704071095 Tokyo KYODO in English 0624 GMT 27 Apr 95

[FBIS Transcribed Text] Tokyo, April 27 KYODO - The Liberal Democratic Party (LDP), a key component of the tripartite coalition, decided Thursday [27 April] to support proposed Japanese participation in UN peacekeeping activities in the Israeli-held Golan Heights, but the remaining two coalition partners put off making a decision until the April 29-May 7 "Golden Week" holidays end.

The LDP held a joint panel meeting and decided to propose a gathering slated for the evening with the two parties—the Social Democratic Party (SDP) and New Party Sakigake—that Japan send a contingent from the Self-Defense Forces (SDF) for three years beginning in November, LDP officials said.

The SDP, led by Prime Minister Tomiichi Murayama, held a meeting of the decision-making Central Executive Committee on Thursday but failed to reach a conclusion, saying it is impossible to agree with the program right now because there are still subjects to discuss, SDP officials said.

Some committee members expressed concern that the SDF peacekeepers might become involved in activities directly connected with fighting, in breach of Japan's conditions for SDF participation in UN peacekeeping missions, they said.

Sakigake also held a meeting but also held over making a decision because some participants asked that the issue be discussed within the context of Japan's overall Middle East policy, the party officials said.

The United Nations wants Japanese personnel to replace 50 Canadian members of the Syria-based UN Disengagement Observer Force whose transport duties are set to expire in October in the Golan Heights, which were captured by Israel from Syria in 1967.

Japanese troops, if dispatched, would be assigned the task of transporting foodstuff and other daily necessities, according to a government official.

In 1992, Japan enacted the UN Peacekeeping Cooperation Law enabling a limited overseas deployment of SDF personnel to assist in UN peacekeeping activities.

It has since sent peacekeeping troops to Cambodia and Mozambique and has taken part in humanitarian activities in Goma, Zaire, to help Rwandan refugees.

Chief Cabinet Secretary Kozo Igarashi told a news conference Thursday that the government will have to make its final decision by mid-May if the peacekeepers are to assume their assignment in November as planned.

He said the coalition partners' decision to put off formulating their stance on the dispatch of the peacekeepers until after the golden week holidays "cannot be helped."

Igarashi Comments on Murayama's PRC Visit

OW2704080995 Tokyo MAINICHI SHIMBUN in Japanese 25 Apr 95 Morning Edition p 2

[FBIS Translated Text] It was decided on 24 April that Prime Minister Tomiichi Murayama would make an inspection tour of Shanghai and Xian in the latter half of his China visit scheduled in the May holiday period.

Chief Cabinet Secretary Kozo Igarashi stressed the significance of "coming into contact with foreign culture to promote friendship." However, as the police investigation into the Aum Shinrikyo religious cult has reached a critical stage, and the prime minister's office has been calling on cabinet members to exercise restraint in overseas visits during the early May holidays, It is likely that opinion over Murayama's inspection tour will be divided.

During his visit to China from 2-6 May, Murayama is scheduled to meet senior Chinese officials such as President Jiang Zemin and Premier Li Peng. The important meetings are set in the first half of his visit, while the second half will largely be devoted to goodwill events. During his stay in Xian, Murayama will visit the "Bing Ma Yong" Museum [which exhibits clay figures of warriors and horses buried with the emperor], which is located near the city.

Commenting on the likelihood Murayama's schedule will be seen by some as a tourist trip, Murayama's aides strongly object, saying: "Such criticism misses the point of the trip."

However, there are also concerns within the ruling parties over the fact that the prime minister and nine cabinet members plan to travel abroad during the holiday period despite Chief Cabinet Secretary Igarashi's call for restraint in overseas visits.

For example, Secretary General Yoshiro Mori of the Liberal Democratic Party, at a liaison meeting of top government and ruling parties representatives on 24 April, bluntly remonstrated: "I think overseas visits by the ministers should be kept to the minimum."

A top government official, however, explained: "It is impossible to rearrange the schedules for foreign visits now."

However, it is undeniable the itinerary was arranged without taking into consideration the development of the police investigation into Aum Shinrikyo.

TSE Suspends Trading of Hyogo Bank's Stock

OW2604143595 Tokyo KYODO in English 0039 GMT 26 Apr 95

[FBIS Transcribed Text] Tokyo, April 26 KYODO—The Tokyo Stock Exchange (TSE) and the Osaka Securities Exchange suspended trading of Hyogo Bank shares on Wednesday [26 April] following a news report that the struggling bank will be bailed out.

The NIHON KEIZAI SHIMBUN, an economic daily, said Wednesday the Finance Ministry is considering a bailout plan for the Kobe-based regional bank by increasing its capital by over 100 billion yen.

Finance Minister Masayoshi Takemura denied the report.

The TSE suspended the day's trading of the shares of Hyogo Bank, which is listed in the first section of the exchange, to get accurate information from the bank, TSE officials said.

Hyogo Bank Bailout Plan Under Consideration

BOJ, MOF Weigh Options

OW2604144095 Tokyo KYODO in English 1306 GMT 26 Apr 95

[FBIS Transcribed Text] Tokyo, April 26 KYODO—The Bank of Japan (BOJ) and the Finance Ministry [MOF] are considering various financial methods they might use to bail out Hyogo Bank, based in Kobe, and affiliated nonbanks over their huge bad loans, ministry and BOJ sources said Wednesday.

One option under consideration calls for having a major private financial institution absorb the bank after leading Deposit Insurance Corp. to provide huge funds to it, the sources said [sentence as received].

Another option envisions having a rescue vehicle funded jointly by the central bank and private financial institutions take over the operations of the bank after securing assistance from Deposit Insurance Corp., they said.

The nation's financial authorities believe the bailout is necessary in order to defend the creditability of the nation's financial institutions in the eyes of depositors and to prevent its possible downfall from damaging the local economy in Kobe and its vicinity, they said.

The regional economy has drawn strength from the bank that has an extensive network of branch banks in Hyogo Prefecture, including Kobe which was pummeled by the Jan. 17 Great Hanshin Earthquake.

The Finance Ministry and the Bank of Japan will finalize the bailout scheme by expediting talks with major private and government-backed banks that have large holdings of shares in Hyogo Bank, informed sources said.

A total of 10 affiliated nonbanks had extended loans whose combined sum stood at 1.26 trillion yen as of last September, when the bank announced its mid-term results for the 1994 business year. Of the total, some 800 billion yen worth of loans have reportedly become nonperforming.

The balance of outstanding loans from Hyogo Bank to these nonbanks now amounts to 235 billion yen, a sum that far eclipses its capital stock of 140 billion yen.

The bailout is expected to be granted on the view that both the bank and the affiliated nonbanks are a single troubled entity, the sources said.

A financial community source said the scale of a cash gift from Deposit Insurance Corp. "Will reach several hundred billion yen."

MOF Said To Draft Plan

OW2604140995 Tokyo NIHON KEIZAI SHIMBUN in Japanese 26 Apr 95 Morning Edition p 1

[FBIS Translated Text] The Ministry of Finance [MOF] has drawn up a bailout plan for Hyogo Bank, the nation's biggest bank in the category of so-called second-tier regional banks. The MOF is finalizing the bailout plan in consultation with the Bank of Japan [BOJ] and such commercial banks as Sumitomo Bank and the Industrial Bank of Japan. As Hyogo Bank suffered serious damage in the Great Hanshin Earthquake, the MOF judged an aid package is necessary to avoid further damage on the economy of the quake-hit region. The aid package will include: 1) Allocation of new stock to third parties amounting to over 100 billion yen to prevent insolvency; 2) a grant of approximately 120 billion yen by the Deposit Insurance Corporation [DIC] for writing off its nonperforming loans; 3) low interest loans to financial institutions to cover financial burdens for accepting allotted new stock; and 4) capital reduction to clarify responsibilities of existing stockholders. The private sector is urging the BOJ to share the financial burden for accepting new stock. In view of this, the BOJ is expected to share 50 percent of the burden.

The Kobe-based Hyogo bank, with total deposits of 2.67 trillion yen (as of September 1994), is the biggest bank among so-called second-tier regional banks. Its 10 affiliated financial companies (which have liabilities amounting to 1.47 trillion yen in total) have huge bad loans secured on real estate. Hyogo Bank has 240-billion yen loans extended to the troubled nonbanks.

Hyogo Bank itself has bad loans extended to nonbanks and real estate developers. Moreover, the Great Hanshin Earthquake created even bigger bad credits. If these bad credits should be written off, Hyogo Bank has to bear losses in total of 300 billion yen. Hyogo will certainly have to declare insolvency as it is now unable to manage the situation by disposition of its 140-billion yen capital, bad debt reserve, and other assets.

MOF and BOJ have been considering measures to rescue Hyogo Bank, looking at DIC grants and low interest loans. From late March to early April, Hyogo's major stockholders, including Sumitomo Bank, and other creditor banks were asked to accept all of the newly-issued stock in the private sector. Sumitomo Bank was requested to dispatch its officials to manage Hyogo Bank. However, the private banks refused the offers by the MOF and the BOJ, noting burden- sharing by the BOJ is an indispensable condition for their participation in the rescue operation. At present, they are reportedly finalizing the members of the rescue team and how much the BOJ should pay for the operation.

Hyogo Bank's capital increase is likely to exceed 100 billion yen. The DIC will grant approximately 120 billion yen through commercial banks to accept newly-issued stock, and these banks will receive low interest loans from the public sector to cover losses from the rescue operation.

As the aid package includes grant of deposit insurance benefits, Hyogo Bank will have to reduce its capital to clarify responsibility of existing stockholders before receiving the aid package. President Masaki Yoshida and Vice President Katsuhiko Oura, who were dispatched from the MOF and BOJ, respectively, to reconstruct the bank, are likely to be forced to resign for their responsibility for the business failure.

Officials Deny Bailout Report

OW2604144395 Tokyo KYODO in English 0035 GMT 26 Apr 95

[FBIS Transcribed Text] Washington, April 25 KYODO—Finance Minister Masayoshi Takemura and Bank of Japan [BOJ] Governor Yasuo Matsushita on Tuesday [25 April] denied a newspaper report that the central bank and private financial institutions are under final coordination to bail out financially-troubled Hyogo Bank in western Japan.

Takemura said at a joint news conference in the U.S. capital after the Group of Seven (G-7) finance officials' meeting, "We know Hyogo Bank's management troubles but the reported measures are not under consideration."

Matsushita, who also attended the day's G-7 meeting in Washington, said at the joint news conference, "I have just received the report but that is absolutely not the case."

The NIHON KEIZAI SHIMBUN reported in a front-page story Wednesday in Japan that the central bank and the private sector are likely to go fifty-fifty on a capital increase worth more than 100 billion yen to rescue Hyogo Bank.

Bank Official Denies Claim

OW2604143495 Tokyo KYODO in English 0519 GMT 26 Apr 95

[FBIS Transcribed Text] Osaka, April 26 KYODO—Hyogo Bank, a Kobe-based regional bank struggling under the impact of the January earthquake in western Japan, denied Wednesday [26 April] a report that a rescue plan to save it had been drafted by the Bank of Japan (BOJ) and commercial banks.

"The bank has not heard of any such bailout plan," said a Hyogo Bank official, adding that bank executives, including President Masateru Yoshida, would explain the situation at a press conference in Kobe later in the day.

The NIHON KEIZAI SHIMBUN reported on its front page Wednesday that the Finance Ministry has drafted a rescue scheme for Hyogo Bank to prevent it from incurring excessive liabilities arising from Jan. 17's great Hanshin earthquake which devastated Kobe and vicinity.

The reported plan calls for Hyogo Bank to issue new shares worth over 100 billion yen for allotments to third parties, including the BOJ.

Deposit Insurance Corp. would provide the bank with 120 billion yen to write off nonperforming loans, which swelled further as the local economy was severely damaged by the quake, the paper said.

The economic daily said negotiations are under way on the rescue plan between the Finance Ministry and banks such as the Industrial Bank of Japan and Sumitomo Bank as well as the BOJ.

BOJ Governor Yasuo Matsushita and Finance Minister Masayoshi Takemura, both now in Washington for the Group of Seven (G-7) meeting and other international conferences, denied the report.

Takemura said, "a bailout plan as reported is unthinkable," while Matsushita said it is "not true at all."

Hyogo Bank, with total deposits of 2.67 trillion yen as of the end of September, 1994, is the biggest bank among so-called second-tier regional banks.

The bank extended huge loans to nonbank money houses and real estate firms during the era of the "bubble" economy of the late 1980s. But the bursting of the bubble left it with many bad debts, and the earthquake further damaged the bank's financial standing.

Bank Chief Sidesteps Queries

OW2604143995 Tokyo KYODO in English 1005 GMT 26 Apr 95

[FBIS Transcribed Text] Lobe, April 26 KYODO—The chief of Hyogo Bank, a regional bank languishing under the weight of colossal bad loans, Wednesday sidestepped questions about the verity of a press report that the Finance Ministry has drafted a framework bailout plan using huge public and private funds.

Fielding reporters' questions at a hurriedly arranged news conference, President Masateru Yoshida neither denied nor confirmed the report by the NIHON KEIZAI SHIMBUN, the nation's top financial daily, that the ministry and the Bank of Japan (BOJ) are moving to bail it out.

He read out the one-line statement, "I know nothing concerning the contents of today's newspaper report." "We do not need a bailout scheme for Hyogo bank's main body for the time being."

A total of 10 affiliated nonbanks had reportedly borrowed a total of 1.47 trillion yen to finance their loans to real estate developers and other borrowers.

However, the nonbanks saw huge amounts of their loans become nonperforming as a result of the burst of the asset-inflated "bubble economy" of the late 1980s as well as the Jan. 17 Great Hanshin Earthquake, the financial daily said.

The Kobe-based bank's profitability took a hammering from the quake, which reportedly caused it to suffer huge potential losses by slashing the market value of real estate put up by corporate borrowers as collateral in borrowing huge funds from the bank.

Asked about this point, Yoshida said the bank "has not yet fully ascertained the current conditions" regarding the potential depreciation in the value of the real estate and properties offered as collateral.

The NIHON KEIZAI said the Finance Ministry has drafted a rescue scheme to prevent the bank's financial plight, magnified by the quake, from adversely affecting the local economy of Kobe and its vicinity which have drawn strength from the bank's loans.

The reported plan calls for Hyogo Bank to issue new shares worth more than 100 billion yen for allotment to third parties, including the BOJ.

Deposit Insurance Corp. would give the bank 120 billion yen to help it write off nonperforming loans, which have swelled further as a result of the quake, the paper said.

The daily said negotiations are under way on the rescue plan among the Finance Ministry, the BOJ and banks such as the Industrial Bank of Japan and Sumitomo Bank.

Hyogo Bank, with total deposits of 2.67 trillion yen as of the end of September 1994, is the biggest bank among so-called second- tier regional banks.

BOJ Governor Yasuo Matsushita and Finance Minister Masayoshi Takemura, both now in Washington to attend the Group of Seven (G-7) meeting and other international conferences, denied the report. Takemura said, "a bailout plan as reported is unthinkable," while Matsushita said it is "not true at all."

NPA Chief Orders Search for Aum Sect's Leader

OW2704061095 Tokyo KYODO in English 0548 GMT 27 Apr 95

[FBIS Transcribed Text] Tokyo, April 27 KYODO—The National Police Agency (NPA) has ordered police nationwide to search for Aum Shinrikyo leader Shoko Asahara for questioning about the sect's suspected production of sarin nerve gas, investigative sources said Thursday [27 April].

NPA Criminal Investigation Bureau Director Takashi Kakimi issued the order to all the prefectural police departments nationwide, urging them to hasten to find Asahara, whose whereabouts are unknown.

On the basis of documents and materials seized in more than a month of searches of Aum facilities across Japan, police suspect senior leaders of the sect were involved in the sarin production at the sect's complex in the village of Kamikuishiki at the foot of Mt. Fuji, the sources said.

On Wednesday, police arrested Aum's top chemist Masami Tsuchiya, 30, at its complex in Kamikuishiki, Yamanashi Prefecture, west of Tokyo.

The raids on the Kamikuishiki complex and other Aum facilities started March 22, two days after the deadly sarin attack on Tokyo subways that killed 12 people and made more than 5,000 others sick.

Aum Shinrikyo has repeatedly denied it has ever produced sarin or other toxic materials, calling the suspicion a police fabrication.

On Thursday, the Metropolitan Police Department put on the wanted list Yoshihiro Inoue, 25-year-old chief of the cult's "intelligence ministry," in connection with the kidnaping of a public notary clerk in Tokyo's Meguro Ward in February.

Police suspect that Inoue, along with three or four other Aum members, kidnaped Kiyoshi Kariya, 68, on a Tokyo street Feb. 28 to prevent him from helping his sister extricate herself from the sect.

Police allege the sect's "intelligence ministry" engages in gathering information on defecting sect members or perceived enemies.

Follower Cites Details on Subway Sarin Attack

OW2704073595 Tokyo SANKEI SHIMBUN in Japanese 25 Apr 95 Evening Edition p 1

[FBIS Translated Text] In relation to the Tokyo subway sarin poison attack that caused casualties of more than 5,500, an Aum Shinrikyo follower being questioned by the Metropolitan Police Department [MPD] in a separate case is learned to have made specific statements about the attack, citing names of two men who were members of the operation unit that left sarin-containing plastic bags in the subway trains. This was learned on 25 April.

The MPD Chikuji Station's investigative headquarters had earlier identified several people who were strongly suspected to have been involved in the subway sarin attack, but now it believes this follower's statement can lead to the confirmation of their suspicions, and is conducting investigations to determine the whereabouts of the two members of the operation unit.

Since the start of investigations on 22 March, the MPD and other investigative agencies have arrested more than 100 sect followers by applying various laws and regulations. Among the arrested are such leaders of the sect as Kiyohide Hayakawa, known as the group's "construction minister," and Tomomitsu Nimi, the "home minister" of the group. The police have also tried to determine the accurate organization of the group and to gather secret information the group kept away from the public.

The police said the arrested followers initially in a uniform manner denied the suspicions, but more recently some of the followers have started to soften up and to speak about the behind-the-scenes activities of the group.

One of the followers arrested by the MPD has in fact started to make statements admitting the group's involvement in the subway sarin attack, and citing names of the two members of the operation unit which carried out the attack. The investigative headquarters sent its investigators to hear his statement once again.

The investigative headquarters [IH] has so far found that the types of chemical substances in the sarin solution collected at attack sites was the same as the kinds found in the group's facilities at Kamikuishi Village, Yamanashi Prefecture. The IH, based on the result of investigations done so far, believes that organizations of the group were involved in the subway sarin attack. Furthermore, from the data collected and analysis conducted on the data so far, the IH is coming to increasingly suspect that Hayakawa led the series of criminal acts under the secret instruction of sect leader Shoko Asahara. The IH also has identified several people among members of the operation unit who are believed to have participated in the attack. The operation unit has engaged in covert operations for the group.

The headquarters thinks subway attack operations were divided into four stages—"production," "material procurement," "transportation," and "implementation," and a total of about 50 people were involved in the operations.

Furthermore, concerning the production of the sarin, the IH says there is strong suspicion that about a dozen people, including the man who is a leading official of the group's "Welfare Ministry" and is the captain of the "Chemical Team," were involved. The IH is getting ready to request the issuance of an arrest warrant for these people, as well as sect leader Asahara, who ordered the poison to be produced—on the suspicion of having plotted murders.

The police believe the suspicion on producing sarin can be tied to the suspicion on the subway sarin attack. As soon as the whereabouts of sect leader Asahara and the people involved in producing sarin are confirmed, the police will take the step of requesting the arrest warrant. Once that is done, the police will start questioning them.

Ruling Parties Call for Early Cabinet Reshuffle

OW2704143395 Tokyo NIHON KEIZAI SHIMBUN in Japanese 26 Apr 95 Morning Edition p 2

[FBIS Translated Text] The cabinet should be reshuffled immediately after the seven industrialized nations (Halifax Summit) talks scheduled for 15-17 June. This is the call that suddenly erupted among the ruling parties recently. The ostensible reason for the call is that, as rehabilitation measures for areas hit by the Great Hanshin Earthquake have been worked out for now, the Murayama administration needs to enhance its unity by admitting new members before kicking off its second year. Behind this, however, there exists an intricate situation created by two ruling parties' political designs: While some Liberal Democratic Party [LDP] members are trying to replace the party leadership to make their way in the next party presidential election this fall, the SDPJ leadership is busy cooking up ways to shirk responsibility if the party loses the next House of Councillors' election.

Some people in both parties still remain cautious about an early cabinet reshuffle. But a political tug-and-war between the pro- and anti-reshuffle groups is likely to intensify over the timing of the reshuffle after the Golden Week holidays [29 April to 5 May].

Underlying the LDP's reshuffle move is a scheme formed by the group supporting LDP President Yohei Kono, who is also vice prime minister and foreign minister. The Kono group aims to fully reelect him as party leader. Meanwhile, it also aims to send LDP Vice President Keizo Obuchi into the cabinet. As Obuchi is a candidate in the next party presidential election supported by the anti-Kono faction, the Kono group wants to "pave the way for the president's reelection" by ousting a prospective opponent from the party leadership.

If Kono takes frontline command in the next House of Councillors' election campaign and wins, he will surely be able to enhance his standing in the LDP, which has weakened since he became a minister. Then, it will nip in the bud the "conservative alliance with conservatives" between the anti-Kono faction and the New Frontier Party [NFP]—a move the Kono group has been wary of. However, persistent opposition to Kono's reinstatement in the party leadership is still found among the anti-Kono group including the former Obuchi faction. Even some of Kono's supporters note: "The relationship of trust among Prime Minister Tomiichi Murayama, Foreign Minister Kono, and Finance Minister Masayoshi Takemura (of New Party Sakigake [Harbinger]) is contributing to the administration's maintenance."

To ease opposition from the anti-Kono group, some LDP members put forward the plan that Kono should stay in the cabinet as vice prime minister without portfolio; or, that International Trade and Industry Minister Ryutaro Hashimoto, another presidential candidate supported by the anti-Kono group, should be assigned as party secretary general.

Meanwhile, concerning the party's crashing defeat in the recent unified local elections, apprehension grew among SDPJ members that the SDPJ will have a tough time in the upcoming House of Councillors' election. If the party loses this one, Secretary General Wataru Kubo, who is responsible for party operations, may be forced to resign. Even worse, his resignation may cause the breakaway of a group of SDPJ dietmen who are supporters of Kono. To maintain the administration, "we must take quick action, and this includes sending Mr. Kubo into the cabinet and selecting his successor from supporters of the prime minister."

Some SDPJ dietmen who support Kubo are not happy about the fact that all the cabinet ministers belonging to the SDPJ, except for Labor Minister Masao Hamamoto, are supporters of the prime minister. Therefore, they judge that it is necessary to settle such discontent to eradicate any seeds of intraparty strife. This is why there is already talk about Kubo, Diet Administration Committee Chairman Churyo Morii, and other senior executives close to Kubo as being candidates for future minister.

While some SDPJ members are concerned that the early cabinet reshuffle may weaken administrative unity, SDPJ cabinet ministers oppose the reshuffle, saying: "There is no room for us in the party anymore." Others are worried that the reshuffle may give the impression that "the SDPJ is acting on its interests only." Therefore, on the evening of 25 April a government source denied the possibility of an early reshuffle, saying: "The prime minister is not the kind of person who forms a plot"—although he did note "the need for a reshuffle before the House of Councillors' election to mark a fresh start."

Actually, Murayama is "giving party breakup prevention the highest priority," (according to a senior SDPJ executive). Furthermore, it has been said that the prime minister "wants to carry on" with members of the present cabinet "for at least one year," (as stated by a minister from the LDP). However, since the Murayama government will mark the first anniversary of its inauguration on 29 June, soon after the summit, a top LDP executive says the call for an early cabinet reshuffle "will have a quite impact on the administration."

SDPJ To Plan New Party at May Convention

OW2704061895 Tokyo KYODO in English 0556 GMT 27 Apr 95

[FBIS Transcribed Text] Tokyo, April 27 KYODO—The Social Democratic Party (SDP) [of Japan—SDPJ] decided Thursday [27 April] to hold an extraordinary party convention on May 27 in Tokyo to discuss a plan to dissolve the party and form a new one, SDP officials said.

The SDP's decision-making Central Executive Committee, which made the decision during a meeting, also agreed that the SDP should establish an intraparty panel before the convention to prepare for the proposed new party, they said.

The convention is expected to discuss the principles and platform of the new party, they said.

The SDP, a pillar of Japan's three-party ruling coalition headed by Prime Minister Tomiichi Murayama, previously planned to establish a new party before the House of Councillors election in July in an effort to improve its image, but has given up forming it before the poll.

Since last fall, the SDP has discussed holding an extraordinary convention, but the date was postponed twice this year because of the Jan. 17 great Hanshin earthquake in western Japan and Murayama's participation in a U.N.-sponsored summit for social development in Copenhagen in March.

North Korea

Commentary Views Ruptured Talks With U.S.

SK2704050295 Pyongyang KCNA in English 0451 GMT 27 Apr 95

["U.S. side fully responsible for rupture of DPRK-U.S. negotiations"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—The U.S. side must take full responsibility for the rupture of the negotiations between the Democratic People's Republic of Korea and the United States on the provision of the light-water reactors (LWR) which had been held in Berlin, stresses NODONG SINMUN in a commentary today.

The analyst of the paper says:

At the third round of the negotiations, the DPRK side put forward a realistic and flexible proposal which fully took note of the demands of the U.S. side and showed utmost magnanimity to the last moment. However, the U.S. side insisted on the non-existent "South Korean model" and, worse still, it tried to force the DPRK side to accept unwarrantable demands.

What the U.S. side intends is not to solve the nuclear issue under the agreed framework between the DPRK and the United States but to stifle the DPRK hand in glove with South Korea.

Far from feeling its responsibility, the United States, like a thief crying "stop thief", is clamouring about possible "sanctions" with the Berlin negotiations brought to rupture, and is instigating the South Korean puppets to stage military exercises one after another. It also plans to hold large-scale joint manoeuvres with the puppets.

We cannot but approach this with a sharp vigilance.

We declared more than once that we would regard "sanctions" as a declaration of war against us. Dialogue is incompatible with military threats.

It is a special disposition and unshakable will of the Korean people and People's Army to answer dialogue with dialogue and strength with strength.

If an iota of our interests and sovereignty is considered to be infringed upon, we will take a strong self-defensive countermeasure according to our independent decision and legitimate independent rights. Although the agreed framework is dear to us, we have no idea to abide by the DPRK-U.S. agreed framework with our sovereignty being violated.

We do not make empty words but mean what we say.

As for political negotiations proposed by the United States, we will further look into its true intention before taking a measure corresponding to it. If the United States have a true intention to resolve the LWR provision and all other issues as it promised in the DPRK-U.S. agreed framework, we will also act in consonance with it. But, if the U.S. persists in its design to stifle us, we will take our course without any hitch.

The United States must not doubt our will and determination.

The point depends on the attitude of the U.S. side. We are keeping tabs on the U.S. moves following the rupture of the talks.

Commentary Assails ROK NPT Meeting Remarks

SK2704031995 Pyongyang Korean Central Broadcasting Network in Korean 1224 GMT 26 Apr 95

[Commentary by Yun Pyong-son: "A shameless distortion of facts"]

[FBIS Translated Text] The South Korean puppets made provocative, absurd remarks finding fault with us at a meeting now being held in New York to discuss the extension of the nuclear Non-Proliferation Treaty [NPT].

At the meeting, the puppets maneuvered to distort facts, talking as though peace and stability on the Korean peninsula and in Northeast Asia were threatened because we are not appropriately fulfilling our duties under the treaty. This is a shameless distortion of facts like the act of a thief crying, "Stop, thief!"

We have been fulfilling our duties sincerely under the DPRK-U.S. agreed framework which stipulates that we shall remain a member of the NPT and allow the implementation of the safeguards accord under the treaty. The entire world is aware of this.

Raving as though we weren't appropriately fulfilling our duties under the treaty makes no sense. It is not we, but the South Korean puppets who threaten peace and stability on the Korean peninsula and in Northeast Asia. Approximately 1,000 U.S. nuclear weapons of various sorts have been deployed in South Korea to strike the northern half of the Republic and Northeast Asia, and their deployment seriously threatens peace and stability in this region.

As a matter of fact, it is the South Korean puppets who have given rise to the nuclear threat by bringing U.S. nuclear weapons onto the Korean peninsula. It is also the South Koreans who have impudently gotten involved in DPRK-U.S. negotiations to solve the nuclear problem and who have been trying to build obstacles.

If the Kim Yong-sam ring had had the slightest national conscience, it would have apologized for illegally bringing in U.S. nuclear weapons which gravely threaten the existence of its fellow countrymen and threatened us. It also should have talked about withdrawing these nuclear weapons from South Korea and about the abolition of nuclear bases in South Korea.

Even though they threaten the peace and stability of the Korean peninsula and Northeast Asia, they talked as though this region's peace and stability was threatened because we have not appropriately fulfilled our duties under the treaty. This is truly mean and shameless. No matter how many mouths they may have, the puppets have no face or justification to talk about our fulfillment of the duties under the treaty.

They even distorted the facts to find fault with us. Their ulterior motive is to pass the blame for their disturbance of the peace and stability on the Korean peninsula and Northeast Asia onto someone else, and to justify their maneuvers for a war of northward invasion.

Even though the Kim Yong-sam ring is raving about peace and stability, in reality, it is not interested. It has only the ulterior motive of fulfilling its ambition to launch a northward invasion by stepping up war maneuvers.

The Kim Yong-sam ring, which staged a provocative exercise for a war of northward invasion a few weeks ago by mobilizing tens of thousands of puppet troops and even reserve troops, again plans to stage a large-scale joint military exercise with outside forces from late April until mid-May. Recently it revealed plans to stage a war exercise in October, whose scale will be similar to that of the Team Spirit joint military exercise, by mobilizing 120,000 puppet Army, Navy, and Air Force troops, and that it has been accelerating preparations for this exercise. Because of these reckless war maneuvers which they endlessly perpetrate, the peace and stability on the Korean peninsula and in Northeast Asia have been further threatened.

No matter how far the puppets go to distort facts in order to carry out counter-propaganda, it will not work, and they will be laughed at. Those who enjoy playing with fire will perish by fire. The puppet must act with discretion, bearing in mind the fact that they will suffer a crushing blow if they run wild recklessly like a puppy knowing no fear of a tiger.

Paper: New Peace Mechanism Must Be Established

SK2704103495 Pyongyang KCNA in English 1026 GMT 27 Apr 95

["New Peace Mechanism Must Be Established at Once"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—It is one year after the Democratic People's Republic of Korea put forward a fair and aboveboard proposal to replace the Armistice Agreement with a peace agreement and establish a new peace mechanism instead of the present armistice machine in order to remove the hostile relations and attain reconciliation between the DPRK and the United States and to ensure peace and security of the Korean peninsula.

In this connection, Dr. Pak Tong-chin in an article contributed to NODONG SINMUN today called for an immediate establishment of a new peace mechanism.

Noting the present situation requires the establishment of a peace mechanism on the Korean peninsula as an urgent matter which brooks no delay, the article says:

It is mainly attributable to the existence of the obsolete armistice mechanism that the questions of liquidating the leftover of the Cold War and normalizing the DPRK-U.S. relations have not been settled still now on the Korean peninsula. Since the obsolete armistice mechanism defining the relations between the DPRK and the U.S. as hostile relations remains intact, the danger of war will not disappear and, therefore, the distrust relations between the DPRK and the U.S. can not be removed.

The United States can get nothing by means of strength.

Before persisting in the reckless moves of military pressure, the United States must ponder over the catastrophic consequences to be entailed therefrom.

Only when the United States stops pursuing a hostile policy toward the DPRK and accepts the DPRK's proposal for establishment of a new peace mechanism, will the abnormal hostile relations between the DPRK and the U.S. be reoriented and the relations of trust created, which will be conducive to a basic solution of the Korean question and the achievement of durable peace in the region.

This will accord with the interests of the American people, too. The United States must abandon the anachronistic idea of confrontation and war and respond to our proposal for peace negotiations without delay.

Article Denounces ROK's Kim Yong-sam Group

SK2704053395 Pyongyang KCNA in English 0438 GMT 27 Apr 95

["Key to Victory Is Fight"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—With the disgraceful colonial fascist ruling system, the traitorous "civilian" regime, the "National Security Law [NSL]" which is a fascist law unprecedented in history, and the "Agency for National Security Planning [ANSP]" left intact in South Korea, the "local autonomy" will remain a good-for-nothing, says NODONG SINMUN dated April 26 in an article entitled "Key to Victory Is Fight."

Only when an independent, democratic government is established in South Korea, can the "local autonomy" be in effect as desired by the people, the article says, and continues:

From the first days of its office the Kim Yong-sam group has maintained the fascist ruling system established in the period of the military dictatorship, going against the people's will, and indulged in an unheard-of fascist rule which they call "new security-oriented rule" and brutal suppression of the people who have called for independence, democracy and reunification. Those who called for the punishment of the chief culprits of the Kwangju massacre and other chieftains of the military dictatorship were harshly persecuted under the "civilian" dictatorship and a righteous struggle against the rice market opening, which stifles the peasants and other people, has been suppressed at the point of bayonets and those who wanted to express condolences over the misfortune of the fellow countrymen in the north, observing human morality, were handcuffed and thrown behind bars.

Worse still, the notorious "National Security Law" and other fascist laws and the "Agency for National Security Planning" and other repressive tools still remain in South Korea, blocking the development of democracy.

The "ANSP" has already meddled in the "local autonomy elections", examining the issue of postponing the date of "local elections" according to the ready-made script of the Kim Yong-sam group. The plot-breeding machine is engaged in more frantic manoeuvrings with the "elections" drawing nearer.

By rigging "returns" in the "local autonomy elections", the Kim Yong-sam group is now employing every possible means to infiltrate cat's paws into provincial, city, county and other local ruling machines in a bid to ensure "power stability" and lay solid foundations for its long-term office.

It is but just for the South Korean people to mount, with the forthcoming "local autonomy elections" as an occasion, the struggle to overthrow the cursed Kim Yong-sam "government" and have the "NSL" abolished and the "ANSP" dismantled under the uplifted banner of democracy against fascism, adds the article.

Southern Media Denounce Moves of ROK 'Puppets'

SK2704150895 Pyongyang KCNA in English 1504 GMT 27 Apr 95

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—The South Korean public circles denounced the moves of the South Korean puppets hampering the implementation of the DPRK-U.S. agreed framework with the issues of "resumption of South-North dialogue" and "provision of light water reactors (LWRs)."

A recent issue of the South Korean magazine SINDONG-A said that there is no excuse for insisting on provision of LWRs of South Korean model because it is specified in the agreed framework that 2,000 megawatt LWRs shall be provided to the North, and there is no word of South Korean model.

A pressman Pak Ho-song hooted at Kim Yong-sam's "government," which has been elbowed out from the solution of the nuclear problem, for chanting "South Korea-U.S. concerted action", "provision of LWRs of South Korean model" and "South-North dialogue" while being deprived of the say.

Yi Chong-sok, a researcher of the Sejong Institute, said that the sensitive policy of the traitor Kim Yong-sam toward the North on the nuclear issue offered an excuse for the North not to respond to the South-North dialogue. He demanded the puppets give up the policy of confrontation against the North.

Now the Kim Yong-sam group is trying to bring the situation back to confrontation saying if the question of "LWRs of South Korean model" is not solved, the situation will be what it was before the adoption of the DPRK-U.S. agreement, the South Korean HANGYORE SINMUN said, adding that this will have a bad effect on resumption of North-South dialogue and North-South reconciliation.

Meanwhile, the South Korean public said that the puppets cannot be a direct party in the solution of the nuclear issue and the "LWRs of South Korean model are only a fiction.

CPRF 'Information' Denounces ROK Maneuvers

SK2704053095 Pyongyang KCNA in English 0428 GMT 27 Apr 95

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—The Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] issued Wednesday information No. 681 denouncing the Kim Yong-sam group for having planned to stage a large-scale military manoeuvres against the North in October and engaged itself in reckless military provocations in the areas along the Military Demarcation Line.

Military manoeuvres are not compatible with dialogue, nor can they co-exist, the information says, and goes on:

The reckless war gamble and military provocations on the part of the Kim Yong-sam group are a vicious challenge to the desire and aspirations of all the fellow countrymen to make the year, after the lapse of 50 years since Korea's liberation from the Japanese imperialist colonial rule, a year when an epoch-making phase is brought in the struggle for national reunification, and they is [as received] an unpardonable criminal act of bringing the disasters of war over the heads of the nation.

The puppets are trying to find in the wildcat war gamble a way out of the abyss of the most serious crisis and to render the situation on the Korean peninsula strained so as to lay a stumbling- block in the way of the implementation of the DPRK-U.S. framework agreement. Their attempts, however, are a pipe-dream contrary to the trend of the times.

The heroic People's Army and people of Korea, who have the great brilliant commander and are united as one around him in mind, will never pardon those who are engaged in reckless war gamble, and the provokers will pay thousandfold dearly for this.

The South Korean puppets must see that a war does know no mercy.

NDFSK Criticizes ROK 'Dictatorial Regime'

SK2304083795 Pyongyang KCNA in English 0817 GMT 23 Apr 95

[FBIS Transcribed Text] Pyongyang, April 23 (KCNA)—A spokesman for the National Democratic Front of South Korea (NDFSK) made public a statement on April 19 on the lapse of 35 years since the April 19 popular uprising took place in South Korea, Seoul-based radio Voice of National Salvation reported.

It declared that the NDFSK, together with the students and people from all walks of life in South Korea, would inherit the spirit of the April 19 uprising and valiantly fight for the abrogation of the "National Security Law" and the dissolution of the "Agency for National Security Planning", the "Defense Security Command" and the "Security Investigation Corps".

The April 19 uprising teaches the truth that any heavy-handed dictator is not an irresistible one but can be overthrown by the enraged people and the powerful struggle of the people for freedom and liberation cannot be held in check at the point of bayonet, the statement said, adding:

Today the "civilian-veiled" dictatorship is becoming more desperate and furious. This severe situation calls upon the democratic forces of the nation to form a united front against Kim Yong-sam and the "Democratic Liberal Party".

The National Democratic Forces must join hands with all forces against Kim Yong-sam and the "Democratic Liberal Party" to quicken the isolation of the "civilian-veiled" dictatorial regime of Kim Yong-sam and create a favourable condition for achieving independence, democracy and reunification.

NDFSK Mission Visits Kim Il-song Statue

SK2604052595 Pyongyang KCNA in English 0427 GMT 26 Apr 95

[FBIS Transcribed Text] Pyongyang, April 26 (KCNA)—Chief Yi Chong-sang and members of the Pyongyang mission of the National Democratic Front of South Korea (NDFSK) laid Tuesday bouquets of flowers before the statue of the great leader President Kim Il-song on Mansu Hill and paid homage to him on the occasion of the 63rd founding anniversary of the heroic Korean People's Army.

They vowed to devote their all to the accomplishment of the cause of national reunification in the 1990s under the guidance of respected leader Comrade Kim Chong-il, true to the behests of the great leader President Kim Il-song on reunification.

On the same day, the members of the mission laid bouquets of flowers before the bust of respected Comrade Kim Chong-suk, an indomitable communist revolutionary fighter, at the revolutionary martyrs cemetery on Mt. Taesong and paid homage to her.

Copresidium of Pomminnyon Meeting Held in Beijing

SK2304082895 Pyongyang KCNA in English 0813 GMT 23 Apr 95

[FBIS Transcribed Text] Pyongyang, April 23 (KCNA)—The third meeting of the co-presidium of the National Alliance for the Country's Reunification (Pomminnyon) took place in Beijing from April 9 to 10.

Present were members of the presidium of the North side headquarters of Pomminnyon including its Chairman Paek In-chun, vice-chairmen of the overseas headquarters of Pomminnyon, General Secretary of Pomminnyon Yim Min-sik, members of the presidiums of regional headquarters and members of the co-secretariat of Pomminnyon.

Members of the presidium of the South side headquarters of Pomminnyon took the form of exchanging documents to attend the meeting because they could not come to Beijing owing to the obstructive moves of the South Korean authorities.

The participants observed a moment's silence in memory of the respected leader President Kim Il-song.

The meeting discussed such agenda items as the working plan of Pomminnyon for 1995 and the celebration of the 50th anniversary of the country's liberation as a common jubilee of the nation.

It reached a consensus of views on an active role which Pomminnyon should play in forming regional and nationwide steering organisations for successfully holding the grand national reunification festival marking the 50th anniversary of the country's liberation while checking and frustrating the moves of the separatist forces against the grand reunification festival.

It decided to hold the 6th pan-national rally in Seoul this year. It was also agreed to hold the meeting at Panmunjom in case the South Korean authorities do not permit it by the end of June.

The meeting adopted a resolution of the third meeting of the co-presidium of Pomminnyon and a special resolution demanding the abrogation of the "National Security Law" of South Korea.

Christian Groups Discuss Peace, Reunification

SK2604231395 Pyongyang KCNA in English 1509 GMT 26 Apr 95

[FBIS Transcribed Text] Pyongyang, April 26 (KCNA)—The fourth international consultative meeting of Christians for Peace and Reunification of Korea was held in Kyoto, Japan, according to a report.

Present there were delegates from 12 regions and countries including a delegation of the Korean Christian Federation and delegates of the National Council of Christian Churches of South Korea and from the United States, Japan, Canada, Russia and Germany.

The meeting discussed the pending questions of achieving the peaceful reunification of Korea.

At the meeting the delegates of the Korean Christian Federation and the National Council of Christian Churches of South Korea agreed to hold a common jubilee year worship service of believers in the North, the South and overseas at Panmunjom on the occasion of August 15 in order to celebrate the 50th anniversary of the liberation of the country as a grand national reunification festival, and adopted a joint agreement on it.

A statement of the fourth international consultative meeting of Christians for Peace and Reunification of Korea which includes practical provisions for a peaceful reunification of Korea was published at the meeting in support of this joint agreement.

The statement said that joint and utmost efforts will be directed to removing all the obstacles to the reunification of Korea including the "National Security Law" of South Korea.

"We will urge the South Korean authorities to send back old Kim In-so, Ham Se-hwan and Kim Yong-tae, the unconverted long-term prisoners, this year to their hometowns where their families live and will make joint efforts for the release of the unreasonably detained personages," the statement noted.

Families, ROK 'Prisoners' Hold Phone Meeting

SK2204045095 Pyongyang KCNA in English 0437 GMT 22 Apr 95

[FBIS Transcribed Text] Pyongyang, April 22 (KCNA)—A delegation of the family members of the unconverted long-term prisoners composed of Kim Hwa-sim, the eldest daughter of Kim In-so, Kim Yong-chae, son of Kim Yong-tae, Paek Chong-kwon, a nephew of Ham Se-hwan, held telephone meetings with their fathers and maternal uncle in South Korea on April 8 when they stayed in Beijing to submit a written request to the participants in the third meeting of the Presidium of the National Alliance for the Country's Reunification (Pomminnyon).

At the emotion-charged telephone meetings after 45 years of separation, they informed the unconverted long-term prisoners who are suffering from diseases and toilsome labour in South Korea of the ardent desire and warm greetings of their family members and relatives, saying that they are now waiting for their early repatriation, counting on their fingers.

They told the old men that the great leader General Kim Chong-il has taken all necessary steps for their repatriation. And they repeatedly asked the unconverted long-term prisoners to stubbornly fight till the day when they will return home, not losing confidence and courage.

The long-term prisoners said:

We know well that General Kim Chong-il is showing benevolent love and solicitude for our repatriation.

We ask you to serve him with loyalty, adding our mind and shares to it.

In the written request, the delegation of the family members of the unconverted long-term prisoners earnestly asked the participants in the third meeting of the Presidium of Pomminnyon to conduct an active all-nation rescue movement, deeply considerate of their sore hearts, so that the repatriation issue might be solved at an early date.

Workers, Students Protest Labor Law in ROK

SK2704055795 Pyongyang KCNA in English 0500 GMT 27 Apr 95

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—About 200 students affiliated with the South

Korean Federation of General Student Councils rallied on April 25 demanding the repeal of the evil labour law and denouncing the illegal arrest of a dismissed worker, according to Seoul-based Christian Broadcasting System (CBS).

Then, the students went over to a demonstration in front of the rear gate of Tongguk University, pelting fire bombs at the riot police.

Protests of workers and students triggered by an imprisonment of a dismissed worker who was injured by the fascist clique in a demonstration are getting fiercer nowadays in South Korea.

Some 400 members of the General Federation of Trade Unions of the Hyundai Business Group, the Council of Trade Unions of the Daewoo Business Group and the National Council of Trade Unions of Shipbuilding Industries had a rally on April 23 and vowed to launch a joint struggle.

In a resolution, they openly declared that the three trade union organizations would jointly conduct the wage-hike struggle this year.

Foreign Groups, Press Arrive To Attend Festival

SK2304085495 Pyongyang KCNA in English 0833 GMT 23 Apr 95

[FBIS Transcribed Text] Pyongyang, April 23 (KCNA)—An advance group of the new Japan Pro-wrestling Co. involving chief of the Planning Section Katsushi Nagashima and other members arrived here on Saturday for the Pyongyang International Sports and Cultural Festival for Peace.

Also coming here were the 3rd and 4th Beijing tourist groups, the 2nd Japanese tourist group, a U.S. Hana (one) tourist group, a tourist group of the Australian "Tongil Travel Agency", a tourist group of high-grade Taekwondo players from Canada, a tourist group of Koreans in the Netherlands, and a U.S. CNN cameramen group and Japanese Asahi TV and NHK cameramen groups.

Japanese Delegation Arrives 26 Apr

SK2604231795 Pyongyang KCNA in English 1519 GMT 26 Apr 95

[FBIS Transcribed Text] Pyongyang, April 26 (KCNA)—President of the New Japan Professional Wrestling Co., Ltd. Kanji Inoki who is the leader of the Japan Sports Peace Party and member of the House of Councillors and his entourage arrived in Pyongyang today to participate in the Pyongyang International Sports and Cultural Festival for Peace.

They were accompanied by pro-wrestlers.

The guests were met at the airport by Vice-chairman of the Korean Asia-Pacific Peace Committee Yi Chong-hyok and Vice-chairman of the State Physical Culture and Sports Commission and Director of the secretariat of the state preparatory committee of the Pyongyang International Sports and Cultural Festival for Peace Kim Kwan-chol.

Japanese Hold News Conference

SK2704070595 Pyongyang KCNA in English 0457 GMT 27 Apr 95

[All names as received]

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—The Korean Asia-Pacific Peace Committee [KAPPC] and the New Japan Professional Wrestling Co., Ltd. held a joint press conference in Pyongyang on April 26 in connection with the opening of the Pyongyang International Sports and Cultural Festival for Peace.

Yi Chong-hyok, vice-chairman of the KAPPC, said that the Pyongyang festival due to be opened on April 28 is a grand festival of peace and friendship which will mark an important occasion in deepening friendship and understanding and further developing cooperative relations among peoples of different countries in the Asia-Pacific region.

Referring to the meticulous guidance and care of the great leader Comrade Kim Chong-il for a grand holding of the festival, he said that all the work has been done with success in our country for a successful festival and, in particular, the festival is of greater significance for it will be held on the occasion of the April spring holiday when the great leader Comrade Kim Il-song was born.

While staying in Korea, all the foreigners will have a deep understanding of Korea and will particularly see the true life and looks of the Korean people united in one mind behind the leader and the party, he added.

Kanji Inoki, leader of the Japan Sports Peace Party, member of the House of Councillors and president of the New Japan Professional Wrestling Co., Ltd, said: I have long wished to convey the mind of my teacher, Rikidoozan, to his hometown through my visit to the DPRK. The festival will be held in this context. My desire will be realized if the festival contributes to the world peace even a little.

The festival will be held successfully thanks to the solicitude of the leader Kim Chong-il, he said, expressing sincere thanks to him.

Muhammad Ali who is an American guest of honor submitted a written address for his health reason.

In the address he said he thinks the festival will contribute to promoting peace among countries. He expressed the hope that the festival will bring about understanding and friendship between the Korean people and the peoples of Asian countries and the world.

Answers were given to questions put by reporters at the press conference.

Visitors at Kim Il-song Statue

SK2704051195 Pyongyang KCNA in English 0423 GMT 27 Apr 95

[All names as received]

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—Foreigners staying in Korea for the Pyongyang International Sports and Cultural Festival for Peace visited the statue of the great leader President Kim Il-song on Mansu Hill here Wednesday to pay homage to him.

Among them were president of the new Japan Pro-wrestling Co. Kanji Inoki, who is leader of the Sports Peace Party and member of the House of Councillors of Japan, and his companions and pro- wrestlers.

They laid bouquets before the statue of President Kim Il-song and made a bow.

Also laying floral baskets and bouquets before the statue were delegate of radical of France Jean-Marie Cambaceres, national secretary in charge of International Affairs of the Party and chairman of the France-Asia Association; former world's pro-boxing champion Muhammad Ali and his companions from the United States; a delegation of the Japan Taiki Trading Co. led by Chairman Takehisa Miyamoto; and manager of the Japan Chugai Travel Co. Kang Ok-chu; who are guests of honor invited to the festival.

On the same day, tourist groups from Taiwan and Hong Kong, a tourist group of Korean residents in the United States and a Japanese journalist group laid floral baskets and bouquets before the statue of President Kim Il-song and paid homage to him.

Foreigners Continue To Arrive

SK2704070395 Pyongyang KCNA in English 0503 GMT 27 Apr 95

[All names as received]

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—Guests of honor, tourist groups and reporters continue arriving here for the Pyongyang International Sports and Cultural Festival for Peace.

A Chinese delegation led by representative of the National People's Congress of China and Vice-president of the Overseas Chinese Committee Liu Zhenhua, former U.S. world pro-boxing champion Muhammad Ali and his companions, a delegation of the Taiki Trading Co. led by Chairman Takehisa Miyamoto and representative of the Taiwan-China Association of Industries across the Taiwan Straits Zhang Shiliang who is president of the association arrived on April 26 as guests of honor.

Tourist groups and figures from China, the United States, Japan and Taiwan and media reporters of Japan, Britain, Australia, France and Finland also came here.

Agreement for Resumption of Japan Talks Favored

SK2704151295 Pyongyang KCNA in English 1510 GMT 27 Apr 95

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—Public figures of Japan reportedly issued statements supporting the agreement for the resumption of DPRK-Japan talks.

Yuzuru Shimazaki, a Social-Democratic member of the House of Representatives, said it is stipulated in the agreement that the future intergovernmental talks should strictly be aimed at the improvement of the relations between the two countries without any precondition. The Japanese Government should approach the talks with sincerity and refrain from taking unilateral interpretation as it likes, he added.

Asahiko Mihara, member of the House of Representatives from the New Party Sakigake, said the prospects have been opened up for the resumption of the suspended talks between the DPRK and Japan, after the four-party agreement was adopted. This is a considerable fruit for the two countries, he said.

Prof. Fukuju Unno of Meiji University said a resolution with no apology for and repentance of war of aggression and colonial domination is meaningless. Adopting a "no-war resolution" at the Diet and normalising diplomatic relations with the DPRK at an early date is the top priority of this year marking the lapse of 50 years since Japan's defeat in the war, he said.

Prof. Sadakuni Takaya of Buddhism University said the three-party joint declaration was adopted in 1990, but no progress was made at the talks with the Japanese Government taking no independent stand. The Japanese Government, he noted, must know clearly that it is insignificant to bring forward preconditions at the talks as it did at the previous talks.

The Peruvian Communist Party and 11 other political parties and organisations released a joint statement supporting the agreement for the resumption of DPRK-Japan talks.

The joint statement calls upon the Japanese authorities to accede to the agreement for the resumption of DPRK-Japan talks without raising preconditions for peace and the prosperity of a new Asia and implement the agreement with sincerity for the normalisation of diplomatic relations between the two countries.

Korean Youth in Japan on Reunification Struggle

SK2204104595 Pyongyang KCNA in English 1028 GMT 22 Apr 95

[FBIS Transcribed Text] Tokyo, April 20 (KNS-KCNA) [dateline as received]—A central meeting of Korean youth and students in Japan was held in Tokyo to commemorate the 35th anniversary of the April 19 popular uprising in South Korea.

Chairman of the League of Korean Youth in Japan Pak Ku-ho said in his speech at the meeting that the noble desire of the April 19 popular uprisers has been carried forward by the ardent aspirations and struggles of all the fellow countrymen to achieve the reunification in the 1990s; and a new prospect for national reunification is dawning.

He called for opening up a decisive phase this year for national reunification in the 90s through the positive struggle of youth and students, remaining loyal to the leadership of the great leader Marshal Kim Chong-il.

A letter to the South Korean youth and students was adopted at the meeting.

It appealed for achieving the independent and peaceful reunification of the country against domination and interference by outside forces through the positive struggle of youths and students, closely rallied under the banner of independence, peaceful reunification and great national unity, and realising the national reconciliation and unity by getting the "National Security Law" obstructing the reunification scrapped.

It called for realising the proposal for convening the grand national conference with the burning desire of youths and students for reunification and thus adorning the 50th anniversary of the liberation of the country as a nation's grand common festival which will open a prelude to reunification.

Chongnyon Central Committee Official Departs

SK2304085295 Pyongyang KCNA in English 0818 GMT 23 Apr 95

[FBIS Transcribed Text] Pyongyang, April 23 (KCNA)—Kwon Sun-hwi, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), left here on April 22 after visiting the socialist homeland.

He was seen off at the airport by Kim Su-ik, director of the General Bureau for the Reception of Overseas Compatriots, and officials concerned.

Reportage on Delegations Visiting From Thailand

Bilateral Economic Talks Held

SK2204051195 Pyongyang KCNA in English 0428 GMT 22 Apr 95

[FBIS Transcribed Text] Pyongyang, April 22 (KCNA)—Talks were held in Pyongyang between the government economic delegations of the Democratic People's Republic of Korea and the Kingdom of Thailand.

Minutes of the talks between the government economic delegations of the two countries were signed on April 21.

They were signed by Yi Song-tae, chairman of the External Economic Affairs Commission of the DPRK, and Uthai Phimchaichon, minister of commerce of Thailand.

Gift Brought for Kim Chong-il

SK2204110895 Pyongyang KCNA in English 1053 GMT 22 Apr 95

[FBIS Transcribed Text] Pyongyang, April 22 (KCNA)—The great leader Comrade Kim Chong-il received a gift from the visiting Thai Government economic delegation.

It was handed to an official concerned by Uthai Pimchaichon, minister of commerce, who is the head of the delegation.

Economic Delegation Departs

SK2604022395 Pyongyang Korean Central Broadcasting Network in Korean 1100 GMT 22 Apr 95

[FBIS Translated Text] The Thai Government economic delegation headed by Minister of Commerce Uthai Pimchaichon left Pyongyang on 22 April. Yi Song-tae, chairman of the External Economic Committee, and functionaries concerned saw the delegation off at the airport.

Foreign Affairs Delegation Leaves

SK2604001295 Pyongyang Korean Central Broadcasting Network in Korean 1100 GMT 22 Apr 95

[FBIS Translated Text] The delegation of the Foreign Affairs Committee of the House of Representatives of the Kingdom of Thailand led by Suthin Nophaket, chairman of the committee, flew out of Pyongyang on 22 April. Hwang Chang-yop, chairman of the Foreign Affairs Committee of the Supreme People's Assembly, and functionaries concerned saw off the delegation at the airport.

Friendship Delegation Arrives

SK2504230495 Pyongyang KCNA in English 1508 GMT 25 Apr 95

[FBIS Transcribed Text] Pyongyang, April 25 (KCNA)—A Thai friendship delegation led by Karuna Chuachang [name as received], secretary general of the Thailand-Korea People's Friendship Organisation, arrived in Pyongyang on Monday by air.

Syrian Independence Day Commemorated 26 Apr

SK2704070795 Pyongyang KCNA in English 0430 GMT 27 Apr 95

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—A meeting was held here on April 26 to commemorate the 49th anniversary of the independence of Syria.

Invited to the meeting were Yasir Farah, Syrian ambassador to Korea, and his embassy officials and Syrian students studying in Korea.

Yun Ki-chong, minister of finance and chairperson of the Korea- Syria Friendship Association, Pak Chong-ham, vice-minister of General Education and vice-chairman of the association, officials concerned and working people in the city were present at the meeting.

Speeches were exchanged at the meeting.

The meeting adopted a letter of congratulation to the president of Syria.

FRY Envoy Gives Reception on Constitution Day

SK2704052495 Pyongyang KCNA in English 0440 GMT 27 Apr 95

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—Yugoslav Ambassador to Korea Ljubomir Ojukic gave a reception on April 26 on the occasion of the day of the proclamation of the Constitution of the Federal Republic of Yugoslavia [FRY].

Invited there were Yang Hyong-sop, chairman of the Supreme People's Assembly, Yi Song-tae, chairman of the State External Economic Affairs Commission, and officials concerned and diplomatic envoys of different countries to Korea.

The participants observed a moment's silence in memory of the great leader President Kim Il-song.

Speeches were exchanged at the reception.

UNESCO Division Director Departs Pyongyang

SK2404010195 Pyongyang Korean Central Broadcasting Network in Korean 0600 GMT 19 Apr 95

[FBIS Translated Text] (Boris Berkobski), director of the Engineering and Technology Division of the Science Sector of UNESCO, departed from Pyongyang by plane on 18 April. Functionaries of relevant sectors saw him off at the airport.

Tajik Delegation Leaves Pyongyang 22 Apr

SK2604001095 Pyongyang Korean Central Broadcasting Network in Korean 1100 GMT 22 Apr 95

[FBIS Translated Text] The delegation of the Communist Party of Tajikistan headed by Shodi Shabdolov, chairman of the party Central Committee, flew out of Pyongyang on 22 April. Hwang Chang-yop, secretary of the Workers Party of Korea Central Committee; and Chi Chae-yong, vice director of a department of the party Central Committee, saw off the delegation at the airport.

National Seminar on Chuche Idea Held in Guyana

SK2604231595 Pyongyang KCNA in English 1516 GMT 26 Apr 95

[FBIS Transcribed Text] Pyongyang, April 26 (KCNA)—A national seminar on the chuche idea under the title "Revolutionary Exploits of the Great Leader President Kim Il-song are Immortal" was held in Guyana on April 8 on the occasion of the birth anniversary of the great leader President Kim Il-song.

The participants in the seminar observed a moment's silence in memory of President Kim Il-song.

Hamilton Green, mayor of Georgetown, in the opening address said the respected leader Comrade Kim Il-song founded the chuche idea, the first man-centred idea ever in history, and he fully embodied the idea to turn Korea into a powerful socialist country and gave a strong impetus to the struggle of the world people who are advancing along the road of independence.

Robert Williams, chairman of the Guyanese National Committee for the Study of the Chuche Idea of Comrade Kim Il-song, delivered a report at the seminar.

The reporter said the great leader President Kim Il-song was a genius of thought and theory who expounded the chuche-based revolutionary idea and theories through creative ideological and theoretical activities and led the revolution along the ever- victorious road.

He went on:

"The great leader President Kim Il-song founded the immortal chuche idea so as to provide a mighty ideological guideline that should firmly be maintained by the people in their struggle for the accomplishment of the cause of independence and opened a new era in the development of human history.

"For his matchless, great exploits for the times and humankind, he was most respected and revered by the world's revolutionary people.

"Though his heart stopped beating, his august name will remain in the hearts of humankind for all ages and his undying revolutionary feats will shine over the world forever century after century."

The reporter elaborated on President Kim Il-song's successful solution to the question of inheritance of the revolutionary cause.

The great leader Comrade Kim Chong-il has performed imperishable revolutionary exploits for the party, the revolution, the country and the people through profound ideological and theoretical activities and tireless outstanding guidance, the reporter said, adding that he is a tender-hearted father of the people and an outstanding leader who personifies the noble virtues and leadership traits of the great leader President Kim Il-song.

Speeches were made at the seminar.

The seminar adopted a letter to Comrade Kim Chong-il.

Papers Commemorate National Day of Togo

SK2704104095 Pyongyang KCNA in English 1029 GMT 27 Apr 95

["National Day of Togo Marked"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—Papers here today observe the National Day of Togo.

NODONG SINMUN notes that the Togolese people's achievement of the country's independence reflected their desire and will for building a new country, free and prosperous, without domination and subordination.

The Togolese people have made efforts to consolidate the sovereignty of the country and national independence and to build a prosperous new society over 35 years after independence, the paper says in a signed article, and goes on:

Progresses have been made in the efforts for national reconciliation and unity and the socio-political stability of the country.

Pursuing the policy of non-alignment externally, the Togolese government is striving to develop the friendly and cooperative relations with different countries of the world including African countries.

The friendly and cooperative relations between the Korean people and the Togolese people have developed on good terms.

A signed article of MINJU CHOSON says that the Korean people wish the Togolese people greater success in the struggle for the independent development of the country.

Book on Kim Chong-il Published in India

SK2704104495 Pyongyang KCNA in English 1034 GMT 27 Apr 95

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—The book "Kim Chong-il-Founder of Theory of Scientific Socialism, Some Principles of Theory of Scientific Socialism", written by T.B. Mukherjee [spelling of name as received], an "International Kim Il-song Prize" winner and president of the Asian Regional Institute of the Chuche Idea [ARIJI], was published by the ARIJI in India on April 15 on the occasion of the birth anniversary of the great leader President Kim Il-song.

The book consists of "Introduction. Future of Socialist Cause Is Optimistic," "1. Appearance and Development of Socialism and Historical Lesson of Socialist Movement," "2. Definition of Theory on Man-Centred Socialism and Its Universal Truth," "3. Fundamentals in Building Socialism," "4. Mainstay in Line of Building Socialism," preface and conclusion.

The book says that the great leader Comrade Kim Chong-il proved the advancement of humankind along socialism as a law of historical development, thus giving the world progressive people desirous of independence and progress optimism and confidence in the future and indicating the lofty goal and orientation to push on with the socialist movement onto a higher stage in keeping with the trend of times. It explains that Comrade Kim Chong-il had analysed and studied the limitation and lesson of the socialist movement in the preceding years on a scientific basis and that he has developed the theory of socialism onto a higher stage on the basis of the chuche idea.

Pointing to the essence of theory on man-centred socialism and its universal truth, the book says that the theory on man-centred socialism is the one evolved with the popular masses, the driving force of history, at the centre.

It deals with the scientific exposition by Comrade Kim Chong-il of what is true socialism aspired after by humankind and of what are the principle and main ways to be maintained in building it.

Kim Chong-il Sends Letter to Komdok Complex

SK2704110295 Pyongyang KCNA in English 1053 GMT 27 Apr 95

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—The great leader Comrade Kim Chong-il sent an autograph letter to the party cell members of the Mining Workteam No.1 of the April 5 Pit of the Kumgol branch mine of the Komdok Mining Complex, in reply to their letter sent to him.

The reply letter reads:

"The party firmly believes in our working class.

April 12, 1995.

Kim Chong-il"

Upon receiving his autograph letter, the workers in Komdok were overcome with boundless emotion and joy and are effecting new innovations in the production of lead and zinc ores.

In recent years alone, he sent autograph letters of trust and love to the members of the Rolling Party Cell No.2 of the blooming mill shop of the Chollima Steel Complex, the members of the Machine Workteam No. 1 of the tool shop of the Pyongyang Textile Machine Factory, Pyo Il-sok and his six brothers of the Ore Transport Corps No.5 of the Musan Mining Complex and other workers, in reply to their letters of loyalty sent to him.

Trust in the working class is one of the noblest traits of Comrade Kim Chong-il.

He is inspiring the working class to feats, always regarding them as the class leading the revolution.

One day in mid-February 1976, Comrade Kim Chong-il assigned a senior official of South Hwanghae Province to build a smeltery, saying that if there are knotty problems, the ways of solving them should be found among workers. And he earnestly said: "...I believe in our working class."

Afterwards, being informed that the smeltery was built and turned out the first products, he expressed deep satisfaction over the fact that our working class did it without fail.

One day in May 1984, he visited the Ryongsong Associated Machinery Bureau, assigned the workers there to make a 10,000-ton press and indicated the concrete ways of its production.

True to his instructions, the workers of Ryongsong successfully manufactured in one year and more the 10,000-ton press involving more than 70,200 parts of over 3,000 kinds. Upon receiving a report about it, Comrade Kim Chong-il called at the bureau again in March 1986 and said that the workers there were admirable and the Ryongsong Associated Machinery Bureau was a powerful enterprise, indeed.

He saw a large oxygen plant which the workers of the Rakwon Machine Complex were making in October 1984 and inspired them, saying he was right in trusting them.

He has shown all the loving care and solicitude for the working class, sparing nothing for them.

Giving on-the-spot guidance to Hamhung, a city of industry, in June 1977, he learned that some of the workers in Hungnam had trouble with the teeth and said that a dental hospital should be built there. He said: We should construct a large one. The working-class party must spare nothing for the workers. Even though the construction may cost much more, we should build a large hospital equipped with modern facilities.

A modern dental hospital with preventive and treatment facilities was constructed in Hamhung under his benevolence.

He first dropped in at a workers' hostel while giving on-the-spot guidance to the Hwanghae Iron and Steel Complex, and acquainted himself with the livelihood of the lodgers. Calling at a melting ground, he told the officials there that we must think of smelters first before seeing molten iron. And he saw that a large furnace discontinued operation and dust-absorbing facilities were installed.

There are countless stories about the loving care shown by him for the workers. He, concerning for the health of the workers of the Nampho Smeltery Complex, saw to it that a sintering furnace shop was blown up, and he arranged a birthday table for a conductress when he was travelling by train.

So, the Korean workers are upholding the leadership of Comrade Kim Chong-il with loyalty, calling him the affectionate father the same as the great leader President Kim Il-song.

Kim Chong-il Thanks People for Helping Army

SK2604043195 Pyongyang KCNA in English 0418 GMT 26 Apr 95

[FBIS Transcribed Text] Pyongyang, April 26 (KCNA)—The great leader Comrade Kim Chong-il sent thanks to units, officials, working people and students for their sincere assistance to soldiers of the People's Army. Among them were the officials and researchers of the revolutionary historic relics preservation institute of the Hamhung branch of the State Academy of Sciences, the officials and employees of the Nampo Electrode Factory, officials and people of Chaeryong County, South Hwanghae Province, the teachers and students of the Kim Chong-suk Senior Middle School No. 1 in Pyongsong, South Pyongan Province, Ho Kyu, an instructor of a building company of the State External Economic Affairs Commission.

His thanks also went to Wi Kum-pok, an agitator of the Pyongyang Songyo Garment Factory, and Yi Sun-pok, an agitator of the Pyongyang tannery, for having distinguished themselves in agitation.

Paper Calls Kim Chong-il 'Distinguished Leader'

SK2704102295 Pyongyang KCNA in English 1018 GMT 27 Apr 95

["Great Comrade Kim Chong-il, Distinguished Leader With Clairvoyance"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—NODONG SINMUN today carries a signed article headlined "Great Comrade Kim Chong-il Is an Outstanding Leader With Farseeing Wisdom".

The paper says:

The clairvoyance is a disposition of the great leader Comrade Kim Chong-il.

The wise leadership of respected Comrade Kim Chong-il, who is leading the revolution and construction to a victory with the gift of foresight, is fully manifested, first of all, in that he has laid solid foundations to glorify the revolutionary idea and the immortal revolutionary feats of the great leader President Kim Il-song for all ages.

Comrade Kim Chong-il has paid deepest attention to this work, foreseeing the future of the country, the nation and the revolution, from the days when he began leading the revolution. What is of great significance in his leadership is that he formulated the revolutionary idea of President Kim Il-song as an integral system of the idea, theory and method of chuche.

Comrade Kim Chong-il has made sure that the party's monolithic ideological system has been firmly established in the whole of the party and society and the education in the chuche idea strengthened among the party members and other working people. Therefore, the solid foundation to defend the cause of the leader to the end had already been laid in our country when he, who started the revolution was alive. This is the immortal feat which can be performed only by the great leader comrade Kim Chong-il with boundless loyalty to the leader and distinguished foresight which no one can match.

The wise leadership of Comrade Kim Chong-il, who is leading our revolution to a brilliant victory with extraordinary foresight, is also powerfully demonstrated in that he has strengthened and developed the party, the army and the ranks of youths to be invincible ones in a far-sighted way.

He put forward unique policies to strengthen the party and the army and develop the youth movement and strenuous efforts have been made for their implementation, effecting a fundamental turn in the party building, the army building and the development of the youth movement.

Today our party is proud of being the most experienced and tested party in history for its organisational and ideological solidness, its feats and experiences and leadership capacity of solving any difficult and complicated problems with superb tactics. Our People's Army is a matchless army which is prepared politically, ideologically and in a military technique, and our young people have fully prepared themselves to be reserves of the party, heirs to the revolution.

The wise leadership of Comrade Kim Chong-il, who is leading our revolution to victory with extraordinary foresight, is fully expressed in that he has made sure that all the questions arising in the revolution and construction have been settled our own way.

He has regarded it as the only revolutionary method to carry on the socialist construction our own way in any circumstances.

If we had not adhered to our style, the style of chuche, but moved at the baton of others or depended on others, we would not have smashed the vicious anti-socialist offensive of the imperialists and firmly defended and exalted socialism.

Foreign News Media Report Kim Il-song's Work'

SK2604045095 Pyongyang KCNA in English 0421 GMT 26 Apr 95

[FBIS Transcribed Text] Pyongyang, April 26 (KCNA)—The great leader President Kim Il-song's famous work "10-Point Programme of the Great Unity of the Whole Nation for the Reunification of the Country", which was published in April 1993, was carried by the Russian paper PATRIOT, the Nepalese paper OBSERVER, the Iranian paper RESALAT, the Egyptian paper AL SIYASSI, the Ugandan paper NGABO, and the Nigerian paper NIGERIAN TRIBUNE.

The work gives an exposition of the questions of founding a unified state, independent, peaceful and neutral, through great national unity and of getting united on the basis of patriotism and the spirit of national independence.

The work was reported by the radio of Equatorial Guinea.

The Indian paper EASTERN COURIER carried his work "Answers to Questions Raised by the General Director of the Latin America News Agency Prensa Latina" and the Togolese paper LA TRIBUNE "For the Ultimate Solution of the Rural Question Under the Banner of the Socialist Rural Theses".

Portrait of Kim Il-song Hung in Hall in Peru

SK2204050995 Pyongyang KCNA in English 0501 GMT 22 Apr 95

[FBIS Transcribed Text] Pyongyang, April 22 (KCNA)—The ceremony hanging a portrait of the great leader President Kim Il- song took place at the meeting hall of the building of the People's Front of Workers, Peasants and Students of Peru.

Genaro Ledesma Izquieta [spelling of name as received], chairman of the front, said in his speech that it is a great honor of the front to hang a portrait of respected Comrade Kim Il-song, the great leader of the Korean people and an outstanding leader of the socialist cause of the world, in its meeting hall on the occasion of his 83rd birth anniversary.

He said that peoples calling at the building and officials attending all meetings big and small, would look up to the image of the great leader and look back on his idea and exploits. And they would firmly determine to fight for victory of the socialist cause, he added.

KPA Soldiers, Students Hold Joint Meeting

SK2504103195 Pyongyang KCNA in English 1008 GMT 25 Apr 95

[FBIS Transcribed Text] Pyongyang, April 25 (KCNA)—Youth and students in Pyongyang and soldiers of the Korean People's Army [KPA] met here on April 24 on the occasion of the 63rd founding anniversary of the heroic KPA.

Attending the meeting were Choe Yong-hae, chairman of the Central Committee of the League of Socialist Working Youth [LSWY], and officials concerned, anti-Japanese revolutionary fighters, veterans of the fatherland liberation war, generals and soldiers of the KPA.

The meeting was addressed by Hwang Ho-yong, vice-chairman of the Pyongyang municipal committee of the LSWY, and lieutenant general Chon Ki-yon of the KPA.

They said: "Led by General Kim Chong-il, respected supreme commander, we have nothing to fear." And they expressed the determination of youth and students and People's Army soldiers to become rifles and bombs to defend General Kim Chong-il with their lives.

An art performance was given at the meeting.

Senior Government Officials Visit KPA Units

SK2604044695 Pyongyang KCNA in English 0424 GMT 26 Apr 95

[FBIS Transcribed Text] Pyongyang, April 26 (KCNA)—Senior party and government officials visited units of the Korean People's Army [KPA] on the occasion of its 63rd founding anniversary.

Among the visitors were Pak Song-chol, Politburo member of the Central Committee of the Workers' Party of Korea [WPK] and vice- president; Han Song-yong, Politburo member and secretary of the WPK Central Committee; and So Yun-sok, Politburo member of the WPK Central Committee, chief secretary of the South Pyongan provincial committee of the WPK and chairman of the South Pyongan provincial people's committee.

They conveyed gifts of Comrade Kim Chong-il, chairman of the National Defence Commission of the Democratic People's Republic of Korea and supreme commander of the Korean People's Army, to the units of the People's Army.

The senior party and government officials acquainted themselves with the combat and political training of the soldiers and their life and encouraged them to defend the country and the homeland as firm as a rock and live up to the trust and expectation of the party and the people.

*Endless Efforts Urged for KWP 50th Anniversary

952C0101A Pyongyang NODONG SINMUN in Korean 14 Jan 95 p 1

[Editorial: "Let Us Greet the 50th Founding Anniversary of the Party With Heightened Political Fervor and Brilliant Labor Achievements"]

[FBIS Translated Text] This year, the year 1995, is a very significant year in the revolutionary struggle of our party and people.

This year marks the 50th founding anniversary of the party and the 50th anniversary of national liberation. It is a unanimous desire of our people and the officers and men of the People's Army [KPA] to make this historic year a year of brilliant victory in the history of our country.

Our party is calling upon all party members, workers, and officers and men of the KPA to add glory to the 50th founding anniversary of the party by making it a grand festival of the victors, cherishing their infinite loyalty to the great helmsman Comrade Kim Chong-il. The joint New Year's editorial carried in this paper stressed the need for effecting a great upsurge in the revolution and construction, upholding the slogan "Let us greet the 50th founding anniversary of the KWP with heightened political fervor and brilliant labor achievements!" This slogan grips the hearts of our party members and workers as it echos with the pulsation of the staunch spirit of the chuche Korea, which is gallantly marching forward under the leadership of the great party.

The 50th founding anniversary of the Korean Workers Party [KWP] will be the grand festival of the victors, an occasion for forcefully demonstrating before the whole world the inexhaustible strength of our party and our revolutionary rank and file, rallied around the great helmsman Comrade Kim Chong-il in one and the same mind, as well as the invincibility of our way of socialism.

The great leader Comrade Kim Il-song taught as follows: "Under the leadership of Comrade Kim Chong-il, our people have come to have pride and confidence as victors and display their high honor and dignity before the whole world."

The founding of our party was a historic event heralding the birth of the general headquarters of the revolution to lead the destiny of our people, namely, the ever victorious chuche-oriented party.

Today, a half century later, our revolution has entered a new, higher stage under the leadership of the great helmsman Comrade Kim Chong-il. A solid foundation has been laid for our revolution to bring the revolutionary cause of the leader, the founder of the party, to consummation. The fatherly leader has departed from our side, but the wholehearted unity of our party and our revolutionary rank and file is solidifying as our socialism strengthens like an impregnable citadel.

It is because we greet it under these circumstances that the 50th anniversary of the party will be a grand, historic, festive event which will shine forever in the annals of our revolution. The 50th founding anniversary of the KWP will serve as an occasion for us to demonstrate the great victories our people have won in the arduous struggle for self-reliance, independence, and socialism under the banner of the party for this half century. It will also serve as an occasion for revolutionary felicity to demonstrate the staunch determination of our party and people to fulfill the chuche cause of socialism to the end, rallied solidly around the great helmsman.

Our people are a revolutionary people who have always followed the leadership of the KWP, calling it the motherly party. For our people—who have shared their fate and fortune with the party, rallied around the party and the leader in one and the same mind for a long period of time—the coming 50th founding anniversary of the party will become a significant revolutionary festivity unforgettable in their political life.

The fact that people are currently accelerating the vigorous march to mark the 50th founding anniversary of the party with heightened political fervor and brilliant labor achievements is of great significance in achieving the ultimate victory of the revolution.

Continuing this vigorous march is an honorary and rewarding task to make the revolutionary achievements of the great leader Comrade Kim Il-song—who led the chuche-oriented party building and the cause of socialism on the one ever-victorious road—shine forever.

The entire course of the fatherly leader' revolutionary activities was a glorious course during which he founded the party, developed it into a powerful revolutionary vanguard, and continued to add glory to socialism by using the party as a weapon. Innumerable are the achievements made by the great leader in his efforts for chuche-oriented party building and for the fulfillment of the cause of socialism. To resolutely protect and continue to glorify all the achievements the fatherly leader made in his revolutionary journey of more than 80 years is a noble duty and moral obligation for party members and workers as his fighters and disciples. We can fulfill this noble mission by fulfilling the unfulfilled desires of the deceased fatherly leader, with a firm grip on his thought and line. The current struggle to mark the 50th founding anniversary of the party in a meaningful way is a struggle to bring about a revolutionary turnaround in the fulfillment of the cause of revolution which the great leader devoted his whole life to lead. Through this struggle our party will shine more brightly as Comrade Kim Il-song's great party, and our country will further develop and prosper as the fatherland of chuche associated with his name.

Vigorously to wage the struggle to mark the 50th founding anniversary of the party as a great festival of the victors is a rewarding task to enhance the dignity and prestige of our party, which has become an ever-victorious, invincible revolutionary party under the seasoned leadership of the great helmsman Comrade Kim Chong-il.

The KWP is the most prestigious party with an invincible militancy and leadership in our time, and it is a promising party vigorously advancing toward a dazzling future. It is with the great helmsman Comrade Kim Chong-il at the head that our party is showing its majestic air as a party that is united completely under unitary ideology and leadership, a powerful party that is completing the conversion of the whole society to the chuche ideology, a chuche-oriented revolutionary party that has forged the most powerful revolutionary bond with the masses of people. Never before in the long history of our party has there been a time when the party became so powerful and the whole party was pulsating with such a militant spirit as it is today.

When the whole party, all the people, and the whole Army concertedly launch into the great struggle to significantly mark the 50th founding anniversary of the party in response to the party's call, the strong militancy of our party which has solidified under the banner of converting the whole party to the chuche ideology will once again manifest itself. Through this vigorous march our party's organizational and ideological foundation will be consolidated into an shakable one, which will not sway in any storm, and prodigious progress will be made in overall party work and party activities.

To vigorously struggle to mark the 50th founding anniversary of the party in a meaningful way is an honorable task to make our country, our fatherland, richer and stronger and give full scope to our way of socialism.

The country, the fatherland, which the great leader built and which the great helmsman Comrade Kim Chong-il is leading, is the eternal living space and the cradle of happiness for our people. It is a sacred duty for all of us to resolutely defend this precious fatherland where socialist life is bursting into bloom and to make it richer and stronger. The current struggle to bring about a great upsurge in socialist construction to mark the 50th founding anniversary of the party is a struggle to turn the great helmsman Comrade Kim Chong-il's grand design for the prosperity of the country into a shining reality. The way for creditably building our fatherland of chuche into the bastion of socialism and a people's paradise and enhancing the authority and prestige of our country lies in the efforts on the part of all our people to effect a great new upsurge in the revolution and socialist construction with burning patriotism and an indomitable will.

To glorify the history of the party by struggling with an indefatigable spirit whenever a Herculean task confronts the revolution and the party is the traditional ethos of our people. The current situation demands that our people give full scope to their vitality and resourcefulness as a revolutionary people under the leadership of a great party. Upholding the seasoned leadership of the great helmsman Comrade Kim Chong-il, all party members and workers must vigorously continue the revolutionary march to mark the 50th founding anniversary of the party as a grand festival of the victors.

In adorning the 50th founding anniversary of the party with brilliance, it is important above all to strengthen the political and ideological strength of our revolutionary rank and file in every possible way and make the whole society bask in a heightened political atmosphere.

The great helmsman Comrade Kim Chong-il pointed out as follows: "To strengthen the party and the revolutionary rank and file is a basic guarantee for success in the revolution and construction. A triumphant advance in the revolution and construction is guaranteed by the strength of the party and the revolutionary rank and file."

The political and ideological strength of our revolutionary rank and file is the strength of the wholehearted unity of the leader, the party, and the masses bonded together in one and the same mind. To value our wholehearted unity as the apple of our eyes and strengthen it completely—this is where the road to the victory of socialism lies.

With an absolute worship of the great helmsman Comrade Kim Chong-il, all party members, all the people, and all officers and men of the KPA must band together evermore tightly around the Party Central Committee with Comrade Kim Chong-il at the center.

The respected and beloved Comrade Kim Chong-il is the protector of our people's destiny and a symbol of invincibility. Regarding the fatherly leader's last teaching to hold the great Comrade Kim Chong-il in high esteem as a maxim in life and struggle, all party members and workers should entrust their destiny and future entirely to the great helmsman and share their fate and fortune with the party. While looking back upon the glorious path traversed by our party under the leadership of the great leader and the respected and beloved Comrade Kim Chong-il, we must prepare ourselves solidly as true loyal subjects and filial children who will preserve their constancy under whatever circumstance.

With the 50th founding anniversary of the party ahead, party organizations at all levels must conduct loyalty indoctrination, revolutionary indoctrination, class indoctrination, and socialist indoctrination in an aggressive manner and carry out work with people in a more substantive way in order to consolidate our revolutionary rank and file into a crystallization of loyalty and filial duty.

The whole party, all the people, and the whole Army move in concert under the leadership of the great helmsman Comrade Kim Chong-il—this is a great feature of our society united in one and the same mind. It is precisely because this kind of revolutionary ethos has been firmly established within the whole party and the whole society that our party enjoys its glory as an ever-victorious party which is performing miracle after miracle by withstanding whatever storm. We must establish more firmly in all sectors and units the revolutionary order and ethos of unconditionally following the party's lines, policies, decisions, and orders and implementing them by jumping into fire and water. In particular, we must implement without fail the historic teachings and policies given to their specific sectors and units by the great leader and the respected and beloved Comrade Kim Chong-il. By so doing, we will make the historical sites of the leadership of the great leader and the great helmsman shine forever.

In marking the 50th founding anniversary of the party as a great festival of the victors, it is also important to bring about a new revolutionary upturn in socialist construction and give full scope to the superiority of our way of mass-centered socialism in all sectors.

While leading socialist construction, our party has always created nothing but victories and exploits without making the slightest failure or turn or twist. It is a great pride of our party that it has led socialist construction on an ever-rising curve. The current struggle to mark the party's 50th birthday in a significant way is a struggle on which our party stakes its high prestige and honor.

The task we have to accomplish in socialist construction this year is clear. We must make epochal progress in the struggle to implement the party's revolutionary economic strategy, upholding the decision of the 21st Plenum of the Sixth KWP Central Committee. Functionaries, party members, and workers must concertedly launch into the struggle to develop agriculture, light industry, and foreign trade and bring about revolutionary upsurges in all sectors of the national economy, including the electric, coal, railway transportation, and metal industries. In so doing they must make signal progress in the struggle to augment the strength of our self-reliant national economy and improve the people's living standards and make the year 1995, on which fall the 50th founding anniversary of the party and the 50th anniversary of national liberation, a rewarding year in which the superiority of the socialist system will be given full scope.

In his lifetime the great leader Comrade Kim Il-song clarified in specific terms the tasks and methods with a firm grip on which we have to go forward building socialism. Upholding the last teaching of the great leader Comrade Kim Il-song, we must wage an unceasing struggle to follow and brilliantly implement it in every sector of the national economy.

By giving full play to the indomitable fighting spirit, the revolutionary spirit of self-reliance, that the great leader Comrade Kim Il-song implanted in us, all party members and workers must continue to perform new miracles and produce new exploits everywhere by breaking through whatever obstacle and barrier confront them. He who devotedly struggles to mark the coming grand October celebration with the greatest ever labor achievements and brilliant exploits by giving full scope to the intense revolutionary spirit is a true revolutionary and patriot loyal to the party and the revolution.

To consolidate the country's defense capability completely is an important task to protect and defend the chuche cause of socialism by the force of arms . We must strengthen the political and military potential of the KPA—the party's Army and a revolutionary Army—in every possible way and demonstrate the fine ethos of valuing the military and actively supporting the Army more vividly throughout our society this year, the year on which falls the 50th birthday of our party.

Tasks arising in the political, economic, cultural, and military sectors in the struggle to mark the 50th founding anniversary of the party in meaningful fashion are very enormous. Today's reality demands that we enhance the vanguard role of our leading functionaries and party members and strengthen the militant function of party organizations at all levels.

KWP members are the vanguard fighters of the revolution who joined the rank and file of our glorious party after making a solemn vow to devote themselves heart and soul to the sacred cause pioneered by the great leader and led by the great helmsman Comrade Kim Chong-il. Those who must be the standard-bearers and trumpeters in the current march which will adorn the history of our party with another great heroic epic are none but KWP members.

All party members must resolutely launch into the current march aimed at making their country richer and stronger in a manner as befitting the great leaders' revolutionary fighters and disciples, and produce remarkable exploits everywhere. Party members must always serve as models for the masses in following party leadership and accelerating production and construction and brilliantly accomplish the revolutionary tasks assigned to their respective unit by setting the masses in motion and leading them.

Our party members must steel and refine themselves constantly so that they may become true revolutionary fighters infinitely loyal to the great helmsman Comrade Kim Chong-il.

Leading functionaries are the backbone of our party and the command personnel of the revolution. How well we can accomplish the current Herculean tasks arising in our efforts to augment the political and ideological strength of our party and the rank and file of our revolution and achieve a still greater upturn in socialist construction depends on the role and commanding skill of our functionaries who hold the steering wheel of the revolution and construction.

Leading functionaries must methodically plan and organize economic organizational work in a revolutionary way and make an opening for another great upsurge by leading by personal example, with an extraordinary determination to accomplish the militant tasks without fail in this significant year. Upholding the slogan "In the service of the people!" all functionaries must brilliantly implement our party's noble determination to radically improve the people's living standards.

Our practice in socialist construction tells us that only when party organizations, the operational staffs in respective units, move actively can all functionaries and workers work a hundred times harder and push forward production and construction in a revolutionary way.

Party organizations at all levels must vigorously carry out political work so that party members and workers may devote all their energies to the struggle to mark the party's' 50th founding anniversary in a meaningful way. In particular, they must imbue party members and workers profoundly with the party's intention expressed in the New Year's joint editorial carried by NODONG SINMUN and vigorously inspire them to its implementation.

Party organizations must set bold goals for their respective sectors and units to mark the party's 50th birthday with heightened political enthusiasm and brilliant labor achievements and boldly carry out the struggle to attain them.

Infinitely bright is the future of our party and revolution, and our victory is a certainty. The great helmsman endowed with matchless wisdom and an invincible leadership ability stands at the head of our party, and the immortal chuche ideology illuminates the road ahead for us.

Let us all rally around the respected and beloved Comrade Kim Chong-il (the great helmsman of our party and people and the supreme commander of the revolutionary Armed Forces) in one and the same mind and vigorously accelerate the solemn march to add glory to the party's 50th founding anniversary.

Local Industry Minister Views Economic Strategy

SK2704135295 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 26 Apr 95

[FBIS Translated Text] Functionaries and the working class under the Local Industry Ministry, who have risen as one to implement the party's revolutionary economic strategy, have carried out the struggle to produce more high-quality mass consumption goods, thus achieving good results. (Kim Han-chu), director of the Local Industry Ministry, who met station reporter Pak Song-il, states:

[Begin Kim recording] Functionaries and the working class under our Local Industry Ministry are currently and continuously achieving innovative results in the production of mass consumption goods to thoroughly implement the party's policy that light industry is best. In particular, the working class of the Local Industry General Bureau of Kangwon Province, the Pyongyang Municipal Clothing Industry General bureau, the Pyongyang Municipal Vegetable Complex, the Korean Tobacco General Company, and the Hyesan Foodstuff Company, which implemented the first quarter target in advance before anyone else, are not delaying that force even a little and are continuing to consolidate results.

Moreover, in all plants of the local industries of the province, the struggle to implement the leader's behest is being carried out all the more vigorously. Therefore, based on achieving high results in the production of mass consumption goods, more impetus was given, all the more accelerating production.

In the process of vigorously carrying out the struggle to implement the party's policy that light industry is best, we are developing local industry according to our own characteristics by firmly conforming to the local sources of raw materials. We all the more have engraved in our hearts how just is the party's policy to highly manifest the revolutionary spirit of self-reliance and fortitude.

By further developing local industry, all functionaries and the working class in our Local Industry Ministry must highly uphold the great leader [yongdoja] General Kim Chong-il's lofty will of all the more making the people's standard of living abundant and all the more accelerate the production of mass consumption goods so that we can actively contribute to elucidating our own style of socialism. [end Kim recording]

Communication Projects Advance in Trade Zone

SK2504103495 Pyongyang KCNA in English 1011 GMT 25 Apr 95

[FBIS Transcribed Text] Pyongyang, April 25 (KCNA)—Projects are now progressing apace for modern communications in the Najin-Sonbong Free Economic and Trade Zone, which is called "golden triangle" of the Democratic People's Republic of Korea.

Among them, the project of laying optical fibre cables between Najin and Hunchun in northeast China has reached the stage of completion.

The completion of the project will make it possible to facilitate communications needed for trade dealings between the zone and northeast China.

The Korean Telecommunications Company invested five million dollars in the project.

The construction of an international satellite communications bureau, the Najin International Communications Centre, the Sonbong communication branch office and the Wonjong international communications office is in full swing.

Hydroelectric Power Station Increases Production

SK2404003495 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 23 Apr 95

[FBIS Translated Text] The electric power producers of the power station where Comrade Yi Pong-tok works are increasing production by operating their facilities at full capacity.

The members of the generator operation work team, who are striving to produce more electric power this significant year to mark the 50th anniversary of the party's founding and the 50th anniversary of the country's liberation, waged a struggle to effectively manage the facilities and to increase the utility of the water-level difference; they are also increasing the production of electric power per ton of water by 20 percent more than before.

Meanwhile, the members of the dam work team are contributing to increasing production by managing the dam, water, and water gate responsibly in a manner befitting masters.

Power Plant Increases Electricity Production

SK2704113595 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 26 Apr 95

[FBIS Translated Text] Electricity producers at the 16 June Thermal Power Station are enhancing production results. These days, electricity producers here, who overflow with high determination to produce more electricity for the prosperity and power as well as the development of my country and my fatherland, are producing 2 to 3 percent more electricity compared with the same period last month.

In particular, fighters in the heat production work site are effectively managing boilers and are vigorously carrying out the struggle to enhance the efficiency of combustion, thus considerably increasing the production of steam compared with the same period last month. Fighters in the turbine work site are also effectively managing turbine facilities, being carried out on full operation; thus, daily targets are being overfulfilled.

Marine Sports Group Marks 13th Anniversary

SK2704051295 Pyongyang KCNA in English 0443 GMT 27 Apr 95

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—The marine sports group, the nation's all-round marine sports centre, celebrated its 30th founding anniversary.

It has successfully carried out the honorable duty to develop the marine sports of the country, upholding the sports policy of the Workers' Party of Korea [WPK] over the past 30 years since its foundation.

The athletes of the group have actively introduced the marine sports techniques to suit the specific conditions of Korea and the physical quality of the Korean people, the tactical system and training methods of our style into matches and training, thus greatly contributing to developing the nation's marine sports techniques.

The Central Committee of the WPK sent a congratulatory message to the athletes and employees of the marine sports group on its 30th founding anniversary. It highly estimated their great successes in matches and in developing the marine sports and expressed the firm belief that they will register greater success.

A meeting marking the 30th founding anniversary was held on April 26.

A letter of pledge to the great leader Comrade Kim Chong-il was adopted at the meeting.

Present there were Kim Chung-nin, secretary of the WPK Central Committee, and officials concerned.

Paper: Confederacy Only Formula for Reunification

SK2704110495 Pyongyang KCNA in English 1100 GMT 27 Apr 95

["Confederacy Is Only Formula for Peaceful Reunification of Korea"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—The reunification formula of confederation based on one nation, one state, two systems and two governments, which was advanced by the great leader Comrade Kim Il-song, is the only way and the best method to terminate the nation's division caused by the outside forces and achieve reunification in the 90s, says NODONG SINMUN in a by-lined article today.

The reunification question of Korea requires to be settled from the nation's stand with the idea of the nation placed above the requirements of ideologies and systems, the article points out.

It continues:

Reunification of Korea must be realized through confederation based on one nation, one state, two systems and two governments on the principle of co-existence with neither side conquering the other or being conquered and neither side overpowering the other or being overpowered.

For the Korean nation, the division of the country is more heart- rending than the differences in ideology and system. The nation's reunification is more urgent than the unification of ideologies and systems.

Ideology and system exist for the nation and ideology and system apart from the nation are meaningless.

The Korean nation in the North and the South have lived under different ideologies and systems long since, but the commonness of the nation remains unchanged and the nation is homogeneous as ever.

If based on the nation's commonness hardened through generations, two systems can co-exist in a unified state and one nation.

One's position towards the North-proposed formula for reunification through confederacy is a criterion gauging whether one wants the reunification or not as well as a touchstone distinguishing patriotism and treachery.

The Kim Yong-sam group of South Korea now is opposed to the North's confederative reunification formula as its predecessors were, thus revealing in the raw its nature as a heinous divisionist and a traitor to the nation. If representatives of all parties, all groupings and peoples of all strata in the North, South and overseas sit together for all- nation dialogue to consult and confirm the confederative reunification formula as a method of reunification common to the nation, the entire nation will, in a united effort, be able to conduct the nationwide movement for reunification keeping pace with each other for the common target, and the independent and peaceful reunification of the country will be brought earlier that much.

Chuche Idea Hailed as 'Revolutionary Ideology'

SK2704120495 Pyongyang Korean Central Broadcasting Network in Korean 2244 GMT 26 Apr 95

[Unattributed talk: "The Chuche Idea Is the Genuine Revolutionary Ideology That Reflects the Aspiration and Demand of the Working Class"]

[FBIS Translated Text] The immortal chuche idea founded by the respected and beloved leader Comrade Kim Il-song is the guiding ideology of our revolution and the banner of invincibility. The truthfulness, correctness, and indomitable vitality of the chuche idea has already been clearly proven through the actual practice of our revolution.

The great leader Comrade Kim Il-song taught: The chuche idea is the revolutionary ideology of the working class that reflects the aspiration and demand of the popular masses for independence; it is the most correct guidance for our revolution and construction.

The chuche idea is a great revolutionary theory that fully reflects the aspiration and demand of the working popular masses, including the working class. An ideology must be in accordance with the aspiration and demand of the popular masses in order to be truly accepted and become a powerful weapon that guarantees the victory of the revolutionary struggle and construction.

The aspiration and demand of the working class is to build a socialist and communist society. The socialist and communist cause is a historic cause to build a society where there is no subjugation, bondage, exploitation, and suppression in any form, and where the independence of the popular masses is thoroughly achieved. The working class waged a bloody struggle for a long time to achieve the sacred cause, and during the course of this struggle achieved a great victory. The chuche idea is a great revolutionary ideology that elucidates the correct ideology, theory, and method of the struggle to achieve independence as well as the struggle for socialism and communism. This is why the chuche idea is the genuine revolutionary ideology that is fully in accordance with the aspirations and demands of the working class.

The chuche idea fully reflects the interests of the working popular masses, including the working class. The aspiration and demand of the working class is to break the chains of capitalism, block the source of exploitation, and build a new society. Such an aspiration and demand of the working class is in consensus with the interests of all working popular masses, including farmers and intellectuals. The struggle to achieve the aspiration and demand of the working class is to fulfill the interests of all working popular masses.

The chuche idea elucidates the theory, strategy, and tactic of the revolution and construction based on the proposition that the working class is the most independent and advanced class of the revolution that struggles to liberate themselves on their own and become the master of their destiny. The theory on assimilating the entire society into a revolutionist working class, and the theory on the complete victory of socialism developed by the chuche idea, scientifically explain the reform of all social relations into the working class and the reform of all members of society into the model of the working class ideologically, technologically, and culturally.

Particularly, the chuche-based theory on party building and party activities has strengthened the leading position of the party of the working class and has enhanced its role so that the vanguard, organizational, leading role, and revolutionary spirit of the working class have been remarkably elevated in revolution and construction. One of the reasons the chuche idea is a revolutionary ideology reflecting the aspiration and demand of the working class is the guidance the chuche idea has given to the struggle to fulfill the interests of the general working popular masses under the leadership of the working class.

The chuche idea elucidates the inevitability of the popular masses to be free from all subjugation and restraint by nature and society and to achieve independence. The chuche idea defines the reform of society, nature, and human beings as one of the conditions to achieve the independence of the popular masses, fully explaining that reform will be inevitably implemented. The chuche idea's theory on the colonial nation's liberation revolution and the socialist revolution elucidates the road to establish a socialist system where the working popular masses, including the working class, are free from national subjugation and class exploitation and enjoy an independent and creative life.

The chuche idea makes the working class thoroughly maintain the revolutionary principle in revolution and construction. The chuche idea enables the popular masses to end the national subjugation by the imperialist forces. The chuche idea accurately explains the nature and inevitability of the class struggle as well as the strategy and tactic of the working class in the class struggle. Moreover, the chuche idea explains the strict position of the working class on war and peace, the strategy for the anti-imperialist and anti-American struggle, and how to win victory in the revolution against the maneuvers of all sorts of antirevolutionary forces.

The chuche idea explains that after the victory of the socialist revolution and the establishment of a socialist system, the revolution should continue in the fields of ideology, technology, and culture so that the socialist and communist construction advances without deviation and so that the weapon of the revolution is never laid down under any circumstance. In addition, the chuche idea thoroughly blocks the ideological and cultural penetration of the imperialists, arms the people with communist ideology, and enables the party and the state of the working class to thoroughly maintain the principle of class when establishing and implementing their policies.

The chuche idea elucidated the most correct road of independently and creatively engaging in revolution so the working class of every country can be free from old ideologies such as flunkeyism and doctrinism, can bear self-consciousness and high responsibility as the master, and can establish and execute lines and policies in accordance with the basic interests of the revolution and with the situation of their respective country.

The chuche idea is the genuine revolutionary ideology of the working class because it makes the principles of the working class thoroughly adhere to socialist and communist construction. Today, the chuche idea has become our people's iron revolutionary will and firm guiding ideology for the socialist and communist construction in our country. We will resolutely defend, safeguard, and further thoroughly implement the chuche idea, the genuine revolutionary ideology of the working class, and will brilliantly complete to the end the chuche revolutionary cause as well as the socialist and communist cause pioneered by the great leader.

Tower of Chuche Idea in Pyongyang Described

SK2704105095 Pyongyang KCNA in English 1042 GMT 27 Apr 95

[FBIS Transcribed Text] Pyongyang, April 27 (KCNA)—A large number of Korean working people from all walks of life and foreign tourists are visiting the tower of the chuche idea which is soaring high on the bank of the River Taedong flowing through the central part of Pyongyang.

The tower was built to hand down to posterity the immortal exploits of the great leader President Kim Il-song, who founded the chuche idea, successfully applied it in the revolution and construction and brought about tremendous changes on this land.

Completed in a matter of two years, the tower was unveiled with due ceremony on April 15, 1982 on which fell the 70th birthday of President Kim Il-song.

The 170-metre-high tower is composed of a 150-metre-long tower body and a 20-metre-high torch part put on it.

The tower body consists of 70 blocks of 25,550 white granite stones of various sizes, which symbolize years and days from the birthday of the president to his 70th birthday.

The front and rear faces of the tower body bear the golden-colored letters "chuche".

The torch part is composed of the torch holder and a torch.

The torch shapes like a blazing flame. It is made of special materials of red colour. It is thanks to the inner lighting devices that the torch appears to be burning in evenings.

Standing in front of the tower is a group sculpture of the main theme which represents a worker, a peasant and an intellectual advancing under the banner of the chuche idea, holding high the emblem of the Workers' Party of Korea.

The group sculptures on the right and left sides of the tower vividly show the conversion of the Democratic People's Republic of Korea into a powerful socialist country, independent, self- supporting and self-reliant in defence, through the application of the chuche idea.

There are 816 fountains of various forms including ones of umbrella and morning glory shape in the front yard of the tower. Two fountains send up 150-metre-high jets of water in the midstream of the River Taedong.

The facade of the pedestal of the tower is inscribed with a poem. Baskets of 70 blossoms of Kimilsongia and magnolia were carved in the right and left sides of the pedestal.

The wall of the rear of the pedestal with a rainbow-form gate is covered by several hundred high-quality stones bearing letters praising the greatness of the exploits of President Kim Il-song which came from state and party leaders, the chuche idea study organisations and prominent figures of many countries.

You can command a bird's-eye view of Pyongyang from the observation platform on top of the tower body.

South Korea

North Hints at Lifting Part of Nuclear Freeze

SK2704093995 Seoul YONHAP in English 0929 GMT 27 Apr 95

[FBIS Transcribed Text] Tokyo, April 27 (YONHAP)—North Korea may remove part of the freeze on its 5-megawatt graphite-moderated reactor even before the U.S.-proposed high-level meeting is held, the YOMIURI SHIMBUN reported Thursday, citing a dispatch from New York.

In a telephone interview Wednesday, Minister Han Song-yol of the North Korean mission to the United Nations said the high-level meeting with the United States would take place after part of the freeze is removed, the mass-circulation Japanese-language daily said.

This indicates that North Korea would start refueling the experimental reactor producing weapon-grade plutonium unless Washington shows a flexible attitude toward the high-level meeting.

Confirming North Korean Vice Foreign Minister Kang Sok-chu's receipt of U.S. nuclear ambassador [title as received] Robert Gallucci's letter proposing a high-level meeting in Geneva early next month, Han said North Korea could not expect much of the high-level meeting, because the expert-level talks on the model of light-water reactors to be supplied to North Korea made little progress.

But he refused to elaborate on how and when part of the freeze will be removed.

Continuing the freeze in spite of the failure to conclude a light-water reactor supply contract by April 21 would not only hinder the development of North Korea's nuclear industry but also hurt its national image, he was quoted as saying.

Under the framed agreement with the United States in Geneva last October, North Korea froze its nuclear facilities, including the 5-megawatt graphite-moderated reactor, in return for the provision of light-water reactors.

The United States views North Korea's refueling the graphite-moderated reactor as removal of the freeze and violation of the Geneva accord.

U.S. Sends Second Letter to North Korea 25 Apr

SK2704022295 Seoul YONHAP in English 0136 GMT 27 Apr 95

[FBIS Transcribed Text] Washington, April 26 (YONHAP)—The U.S. State Department delivered another letter to North Korea Tuesday evening, via the North's permanent mission in New York, again requesting additional talks be held in Geneva to break the deadlock over the implementation of the agreed framework signed last October.

In a press briefing Wednesday, State Department spokesman Nicholas Burns confirmed that Robert Gallucci, U.S. nuclear ambassador [title as received], sent a second letter to his North Korean counterpart, Deputy Foreign Minister Kang Sok-chu, reiterating his proposal to hold higher-level talks in Geneva and maintaining the American stand to provide South Korean standard-model light-water reactors, in response to Pyongyang's letter to Washington.

In their letter earlier this week the North Koreans agreed to higher-level discussions in Geneva, but demanded American-made nuclear reactors.

To that end, Burns claimed that there could be American subcontractors but firmly stated that "South Korea will have the major share of the work because they will be providing and financing the reactors."

He added that the Korean Peninsula Energy Development Organization (KEDO) was established to provide South Korean model reactors to the North, and that it is the international consortium's responsibility to determine whether there would be subcontractors for the project.

Regarding the North's threat to defrost their nuclear facilities if the Berlin talks ruptured without progress, Burns said he has confidence in the International Atomic Energy Agency's competence and their constant monitoring of the suspect reactors in Yongbyon.

Responding to questions regarding the possibility that fissile materials from North Korea could become available to terrorists in the wake of the Oklahoma City bombing last Wednesday, the spokesman said they would take all necessary precautions to insure that doesn't happen.

"We'll use all the means at our disposal to monitor that situation and to make sure that there are no problems," he said.

The spokesman added that there has been no response from Pyongyang yet concerning the United States' second letter.

President Interviewed on DPRK Nuclear Issue

SK2704014295 Seoul YONHAP in English 0121 GMT 27 Apr 95

[FBIS Transcribed Text] Washington, April 26 (YONHAP)—President Kim Yong-sam, referring to the U.S.-North Korea nuclear negotiations, said Tuesday that "if North Korea refuses to accept our offer it will lose so many things," and that "eventually I'm sure that North Korea will accept our position."

Kim made the remarks in an interview he had in Seoul with the Cable News Network (CNN) of the United States and aired on its Headline News program Tuesday evening.

CNN Correspondent May Lee [spelling of name as received] reported, "Speculation is running high, there is a possibility of another confrontation involving the United States, South Korea and the communist North. The President of South Korea, Kim Yong-sam, insists this time North Korea has no room to dictate the negotiations on its nuclear program."

The CNN broadcast quoted Kim as saying, "I don't think that North Korea can afford to lose the benefits that they can gain from the negotiations."

Stressing that South Korea should play a central role in the North's light-water nuclear reactor project, Kim said, "we should have a meaningful inter-Korean dialogue, without which the whole project is impossible."

Kim told CNN that he was almost able to meet President Kim Il-song, but that the North's leader died only two weeks before the scheduled date of their meeting.

On that issue, Mary Lee [name as received] commented that it was the first time since Kim Il-song's death that the South Korean leader referred to him as "president," adding, "although Kim Yong-sam is standing firm, he did, very diplomatically, offer a respectful verbal gesture to the North."

The CNN broadcast reported that South Korea is not willing to make any concessions in this round of negotiations, just to appease the communist North.

"The South Korean Government here said it's all a matter of playing by the rules, and this time it wants to make sure that everyone plays by those rules," the broadcast added.

The interview will be broadcast in a CNN international program.

DPRK DMZ Reconnaissance Activities Protested

SK2704064795 Seoul KBS-1 Radio Network in Korean 0603 GMT 27 Apr 95

[FBIS Translated Text] The North Korean Army has been strengthening both daytime and nighttime reconnaissance activities in the DMZ lately. The Ministry of National Defense stated today: Our side issued a warning to the North Korean Army when it detected that the North Koreans conducted reconnaissance activities in the northern area of Chorwon crossing over the Military Demarcation Line on 19 and 23 April. As a result, the North Koreans pulled out their troops.

Regarding these reconnaissance activities conducted by the North Korean Army, the Defense Ministry sent a protest message to the North Korean Army on 24 April and demanded that a meeting of chief secretaries of the Military Armistice Commission be held on 26 April, but the meeting was not held because the North Korean side did not attend.

The Defense Ministry stated that if the North Korean Army continues to conduct such provocative acts, violating the Armistice Agreement, it will take strict countermeasures in conformity with relevant regulations, and directed military units to strengthen operational activities in the DMZ.

Kim Chong-il Reportedly Bans ROK Businessmen

SK2704024795 Seoul CHOSON ILBO in Korean 27 Apr 95 p 3

[Report by Kim Song-yong from Hong Kong]

[FBIS Translated Text] Sources in Hong Kong that are knowledgeable in North Korean affairs, reported on 26 April that North Korea's Kim Chong-il gave instructions in late March banning South Korean businessmen from visiting North Korea.

The sources said that in reviewing the proposals by South Korean businessmen to make sizeable investments in North Korea, Kim Chong-il noted that no progress had been made due to hindrance by the South Korean Government, and thus handed down a directive to the Committee for Promotion of External Economic Cooperation to totally ban future visits by South Korean businessmen to North Korea.

The sources also pointed out that in accordance with this directive, Yim Tae-tok, president of North Korea's economic development general corporation only met with foreign businessmen, such as those from the U.S. telecommunications company MCI and Hong Kong Telecom while in Beijing to attend the conference on investment in the Najin-Sonbong district in mid-April, and totally refused to meet with South Korean businessmen in Beijing.

'Serious' Food Shortage in North Korea Revealed

SK2704033595 Seoul CHOSON ILBO in Korean 27 Apr 95 p 3

[By reporter Ku Song-je]

[FBIS Translated Text] It was learned on 26 April that North Korea's food situation is so serious that the food ration distribution has been suspended since 15 April, Kim Il-song's birthday, even in Pyongyang.

A source who has been to North Korea recently revealed: "Pyongyang citizens have not received food coupons since they drew their food rations just before Kim Il-song's birthday on 15 April. Accordingly, Pyongyang citizens are suffering from a serious food crisis and public sentiment is deteriorating extremely in the city."

In this connection, a government official stated that the North Korean authorities are probing the United States and other Western countries about the possibility of purchasing grain on credit.

He said that, right after Kim Il-song's death and on Kim Chong-il's birthday last February, North Korea hurriedly released its grain reserves in an effort to bring under control the people's complaints.

He added: It is estimated that, because of this, the total stock of grain is almost depleted.

The total food demand for North Korea, with a population of 22 million, is 6.7 million tonnes annually. However, grain production for last year reached only 4.1 million tonnes. Therefore, it can be said that the amount of North Korea's food shortage reaches 2.6 million tonnes.

NSP Arrests Pak for Contacting DPRK 'Agent'

SK2704120395 Seoul YONHAP in English 1143 GMT 27 Apr 95

[FBIS Transcribed Text] Seoul, April 27 (YONHAP)—The Agency for National Security Planning (NSP) arrested Thursday [27 April] Professor Pak Chang-hui, 64, of the Hankuk University of Foreign Studies on charges of violating the National Security Law.

Pak violated the law by making over 30 unauthorized contacts with North Korean Agent So Tae-su, 71, in Japan to learn Kim Il-song's chuche (self-reliance) thought and introduce his friends, including a certain Professor Pak, to So at his request, an NSP spokesman said.

Pak first met So while studying in Japan. He earned a doctor of philosophy degree in sociology from Hitotsubashi University in Tokyo in 1977 and has since been teaching at the Hankuk University of Foreign Studies. One of his brothers is known to be active in the pro-North Korean Association of Korean Residents in Japan, Chochongnyon.

So stowed away to Japan after having served a prison term for involvement in the 1946 communist upheaval in Taegu to serve in Chochongnyon.

Strong Won Dealing 'Harsh Blow' to Exporters

SK2704034495 Seoul THE KOREA HERALD in English 27 Apr 95 p 8

[FBIS Transcribed Text] The strength of the Korean won against the U.S. dollar is dealing a harsh blow to domestic exporters, according to a report released by the Korea Foreign Trade Association yesterday.

The high won makes Korean exports more expensive, so foreign buyers are trying to leave Korea and looking for other countries to buy their imports, the report said.

The Korean currency has appreciated nearly 3.5 percent against the greenback since the end of last year. The official market-average won-dollar exchange rate was posted at 761.90 won to the dollar, the lowest in 40 months.

To make matters worse, the bulk of local exporting companies have no proper measures in preparation for the strong won and they are feared to pass up a good opportunity to increase their exports, provided by the strong yen.

The strength of the local currency is especially hitting hard small- and medium-sized firms which are also troubled with labor shortages and strapped for cash, the report said.

Domestic shoemakers, which have lost their competitive edge considerably in recent years, are now exporting at a loss, are expected to give up exporting if the won-dollar exchange rate fall below the 760 won range, it predicted.

Foreign importers of Korean textiles are looking to other countries for their imports as domestic textile makers are trying to raise their prices.

Landed in a situation where it is difficult to raise their export prices, producers of musical instruments, toys and dolls are suffering from huge losses due to the high won, according to the report.

It said domestic makers of precision machinery, which depend heavily on Japan for their parts, are experiencing the twin trouble; the high won and the super-yen.

The steel industry is also suffering from the strong won. They are having great trouble negotiating with buyers on prices, the report said.

In the mid and long term, local exporters will have to speed up restructuring of their operations such as moving production overseas to tide over the high won, the report suggested.

Current Account Deficit Increase in 1995 Reported

SK2704090695 Seoul YONHAP in English 0737 GMT 27 Apr 95

[FBIS Transcribed Text] Seoul, April 27 (YONHAP)—South Korea's current account deficit has sharply increased this year reaching 3,750 million U.S. dollars in the first three months this year, the Bank of Korea said Thursday [27 April].

The current account deficit during the first quarter was the largest ever recorded on a quarterly basis and is comparable to the 2,160 million-dollar red figure a year ago and the 500 million dollar deficit in the fourth quarter last year.

The bank's report on the trends of international balance of payments predicted that this year's current account deficit will swell greatly from its initial estimation of some 6,500 million U.S. dollars.

The expanded deficit is attributable to the increased imports of capital and consumer goods, and soaring expenses for overseas transportation, according to the bank.

Exports during the first three months this year were also on the rise registering 26,160 million U.S. dollars, up 31.6 percent from the same period last year.

But, imports for the cited period this year soared 35.1 percent to reach 28,698 million U.S. dollars.

The deficit in invisible trade also rose to 1,350 million dollars while the balance of interest payments and movements of capital stood at 150 million dollars in the country's favor.

Trade deficits with the United States and Japan showed a record high of 1,780 million and 3,570 million dollars, respectively.

Presidential Envoy Tours Estonia, Latvia, Belarus

SK2704073195 Seoul YONHAP in English 0545 GMT 27 Apr 95

[FBIS Transcribed Text] Seoul, April 27 (YONHAP)—Ambassador at large Chong Chong-uk returned home Thursday from a 12-day visit to three Baltic States in an effort to gain support for South Korea's bid to join the United Nations Security Council (UNSC) as a nonpermanent member, according to Foreign Ministry Spokesman Yu Kwang-sok.

Chong, while visiting Estonia, Latvia and Belarus as a special presidential envoy met with presidents and foreign ministers of the Baltic countries to ask them to support Seoul's effort to become a UNSC member, Yu said..

The ministry expects Chong's visit will help boost economic cooperation with the three Baltic nations.

Yu said that the ministry decided to release to the press the information on Chong's visit to the Baltic States after he concluded the visits because the ministry does not wish to irritate the North Korean embassies in Latvia and Belarus.

South Korea established diplomatic relations with Estonia and Latvia in 1991 and with Belarus in 1992.

President Congratulates Malaysian Prime Minister

SK2704020395 Seoul YONHAP in English 0020 GMT 27 Apr 95

[FBIS Transcribed Text] Seoul, April 27 (YONHAP)—South Korean President Kim Yong-sam sent a congratulatory message Wednesday to Malaysian Prime Minister Mahathir Mohamed for his ruling coalition's victory in the April 25 general elections.

Kim said in the telegram that the result of the election is the Malaysian people's absolute support for the prime minister's fourth consecutive term, ensuring continued stability and prosperity of their country.

"I expect Malaysia will be ever more prosperous under your supreme leadership and the friendly relations between Malaysia and South Korea will be further increased," Kim said.

Professor Appointed UN Human Rights Rapporteur

SK2704090395 Seoul YONHAP in English 0623 GMT 27 Apr 95

[FBIS Transcribed Text] Seoul, April 27 (YONHAP)—Prof. Paek Chung-hyon of Seoul National University has recently been appointed special rapporteur to the human rights situation in Afghanistan by the United Nations Commission on Human Rights, a Foreign Ministry spokesman said Thursday [27 April].

Paek is the first Korean appointed to a high-level U.N. post in charge of human rights affairs, and he will succeed Felix Ermacora, an Austrian lawmaker who died recently, to examine human rights situations in Afghanistan and report his findings to the U.N. Human Rights Commission and the General Assembly, according to the spokesman.

The dean of Seoul National University's Law College will hold the honorary post of rapporteur on human rights for three years during which the United Nations will pay Paek expenses incurred by his activities required to perform his job as rapporteur, said the spokesman.

Paek will officially start his tenure in September after the U.N. Economic and Social Council approves Paek's appointment during a council meeting scheduled for July.

The U.N. Human Rights Commission currently has 20 rapporteurs for as many countries including Rwanda, Sudan, former Yugoslavia and Iraq. The commission also has eleven rapporteurs covering violence against women and 10 other specialized issues around the world.

The ministry said that Paek's appointment was the result of the country's diplomatic activities which have focused on human rights issues after the launch of the civilian government.

Businessman Offers To Help Zaire Keep Mission

SK2704104895 Seoul YONHAP in English 0935 GMT 27 Apr 95

[FBIS Transcribed Text] Seoul, April 27 (YONHAP)—The African State of Zaire, which has been considering closing its mission here after failing to pay rent for the past years, will be able to maintain its mission here as a Seoul businessman recently offered to provide support for the financially troubled Zairean mission here, a Foreign Ministry official said Thursday [27 April].

"A businessman recently expressed his willingness to help the Zaireans maintain its embassy here after reading stories on the financial plight of the Zairean diplomats here," said the official.

The Zaireans, therefore, could move to another place offered by the businessman from their current embassy building in southern Seoul, for which they could not pay rent for the past years, according to the official.

The timing of the moving will be around early next week, he said.

The Foreign Ministry has sought for the past months to explore ways to help the Zaireans by asking the Seoul city administration to find any vacant place available for the Zaireans, but to no avail.

The owner of the building presently housing the Zairean Embassy has recently filed a lawsuit against the Zaireans with a higher court, accusing them with failing to pay rent for the past years.

The landlord had won a suit against the Zaireans last year but lost another suit in February in which he demanded a court order to force the Zaireans out of his building.

The International Convention on Diplomatic Relations stipulates that foreign missions be free from local laws and that no one be allowed in the premises of the missions without permissions from the chief of the missions.

Government Decides on Fair Election Committee

SK2704090495 Seoul YONHAP in English 0710 GMT 27 Apr 95

[FBIS Transcribed Text] Seoul, April 27 (YONHAP)—The administration has decided to establish and operate a "Fair Election and Official Disciplinary Committee" in an effort to conduct the June 27 local elections in a fair and honest manner and establish discipline in the public services during the elections.

Headed by Prime Minister Yi Hong-ku and staffed by the ministers of home affairs, justice, education, political affairs, government administration and information, the committee will meet every two weeks until the end of the local elections during which time they will review the status of election management and dictate measures to secure discipline in the administration.

The committee will be supported by a "Fair Election Task Force," co-chaired by the administrative coordinator of the Prime Minister's Office, vice home minister and deputy head of the Prosecutor-General's Office.

The decision was reached Thursday [27 April] at a meeting of election-related cabinet members presided over by Prime Minister Yi.

Justice Minister An U-man reported to members of the meeting that as of Wednesday legal procedures had been taken against 125 suspected violators of elections laws, physically detaining nine of them, and that investigations are underway examining 200 other suspected violators.

Home Minister Kim Yong-tae told the meeting that between 18,000 and 24,000 people are expected to run in the forthcoming local elections.

Posts at stake in the local elections total 5,762. Included in the figure are six mayoral posts for largest cities, nine provincial governors, and 230 small city mayors, county commissioners and heads of ward offices in the largest cities. Also contested in the elections are over 1,012 seats in local councils of the largest cities and provinces, and over 4,540 seats in small city, county and ward councils.

Chang Kyong-u Announces Candidacy in Kyonggi

SK2704085895 Seoul YONHAP in English 0615 GMT 27 Apr 95

[FBIS Transcribed Text] Seoul, April 27 (YONHAP)—Rep. Chang Kyong-u of the opposition Democratic Party (DP) officially announced Thursday [27 April] his intention to run in the gunernatorial election in Kyonggi Province.

In a statement handed out at a press conference, Rep. Chang said, "Since party leadership invited me to run in the election and I myself felt strongly supported by the people in Kyonggi Province, I have decided to make myself a candidate in the gunernatorial race."

Sources said that party President Yi Ki-taek met Rep. Chang Wednesday evening to advise him to run in the election slated for June 27 this year.

Meanwhile, sources close to Rep. Yi Chong-chan, the party adviser who the Tonggyo-tong Faction decided to recommend as a candidate for Kyonggi provincial governor, said that he will not participate in the party's voting to elect the party's sole candidate, although it will be difficult for him to reject the proposal if the party chooses him as their sole candidate.

The Tonggyo-tong Faction, which has the most lawmakers inside the DP, may recommend Rep. An Tong-son if Rep. Yi refuses to run for Kyonggi governor.

Kim Tae-chung's Remarks on Cabinet System Noted

SK2704033695 Seoul YONHAP in English 0238 GMT 27 Apr 95

[FBIS Transcribed Text] Seoul, April 27 (YONHAP)—A controversy concerning the country's government system has developed in the wake of Wednesday's remarks by former opposition leader Kim Tae-chung which were accepted by political pundits as a tacit support for a parliamentary cabinet system.

Kim, chairman of the Peace Foundation for the Asia-Pacific Region, said during a lecture session that "There will be no problem with the country achieving national unification even with a cabinet government system."

He claimed that "It is wrong that a presidential system with strong leadership is the only system suitable for national unification... we see that former West Germany attained unification under a parliamentary cabinet system.

"What is more important is not the government system, but whether or not we can unite the people behind the government," Kim told those attending the lecture held at Chungang Buddhist College. He had been invited to give a lecture on "21st century's national unification and Korean Buddhism's role."

Kim said that the government system is likely to emerge as a major political issue after the June 27 local elections.

The chairman's statements are drawing keen attention as they are made at a time when President Kim Yong-sam has rebuked the possibility of a constitutional revision during his term.

President Kim said in a press conference Wednesday that the Constitution will never be amended during his presidential term.

Demands for Constitutional Revision Continue

SK2604020295 Seoul THE KOREA HERALD in English 26 Apr 95 p 2

[FBIS Transcribed Text] Demands for constitutional revision are coming one after another from political leaders and academicians despite a pledge by President Kim Yong-sam that the Constitution will not be revised while he is in office.

The latest demand is from a research fellow of the Sejong Institute, whose head, former Prime Minister Chung Won-sik, is being tapped by the ruling party as its potential candidate for the Seoul mayoral post.

In a paper to be presented to an academic forum today, Pak Ke-tok of the Sejong Institute suggests the Constitution be revised to permit the president to seek reelection after four years in office. The paper was made available yesterday.

In addition to an additional presidential term, Pak calls for the creation of the vice president's office.

The current single five-year term of the president is in conflict with the four-year term of the members of the National Assembly, he notes.

He also suggests the Constitution may be rewritten to replace the presidential system of government with the cabinet system of government, which he says would be suitable for the sharing of power among different regions or groups with conflicting interests.

The United Liberal Democrats, a small opposition party recently created by Rep. Kim Chong-pil, who bolted from the ruling party, is the only political party in favor of the cabinet system of government.

Proposals for constitutional revision have also been made by Rep. Kim Yun-hwan, concurrently first state minister for political affairs, and Rep. Yi Man-sop, former National Assembly speaker.

Rep. Kim added fuel to debates on constitutional revision when he said in an interview with a vernacular weekly that the Constitution should be changed to permit an additional four-year presidential term.

In a lecture given at a provincial university Monday, Rep. Yi proposed a study on constitutional revision should start immediately.

He said he prefers a presidential system permitting an additional four-year term and the cabinet system to the current five-year single term.

The rationale for constitutional revision put forward by the proponents of an additional four-year term is that the president serving a single term is held less accountable for his job performance than an incumbent president seeking reelection.

In the past, President Kim Yong-sam, the government and the ruling Democratic Liberal Party were quick in denying in strong terms that the ruling camp was considering rewriting the Constitution when such proposals were made.

But these days, denials, if made, are not as swift in coming and not as strong as before.

Debates on constitutional revision are reviving with the local elections only two months away, whose outcome many political analysts predict will lead to a structural change in Korean politics.

Signs of political realignment and structural change are visible even before the elections.

With the gap widening between reform-minded politicians and members of the old guard in the ruling camp, some lawmakers of the ruling party and former ranking government officials are going independent or joining opposition parties.

On their part, opposition parties are talking about an alliance against the government and its party. In defense against them, the ruling party may attempt to recruit disaffected opposition lawmakers.

Politicians may be regrouped as debates on constitutional reform are intensifying with parliamentary and presidential elections scheduled for next year and 1997, respectively.

Kim Yong-sam Emphasizes Educational Reform

SK2704073495 Seoul YONHAP in English 0537 GMT 27 Apr 95

[FBIS Transcribed Text] Seoul, April 27 (YONHAP)—President Kim Yong-sam Thursday stressed the importance of educational reform saying, "to enhance the quality of our education and to prepare for a new era, we must drastically change the basic frame and method of our education system."

Addressing the national educators rally at the Chamsil indoor stadium in southeastern Seoul with over 13,000 teachers and students' parents attending, President Kim stated 10 major tasks for educational reform.

For the reform of the college entrance examination system, one of the 10 tasks, Kim said, "an entrance examination system that reduces the people's sufferings should be devised... diverse new entrants' screening criteria should be developed and an educational institutes' right to select their students expanded on a step-by- step basis."

The chief executive also called for "further diversification and specialization of colleges" and "a substantial expansion of their autonomy in the management of student quotas and educational affairs."

The elementary and secondary education systems should be operated in a democratic and autonomous manner, and the current regulation-oriented education system should be replaced by an autonomy-oriented one through schools' and teachers' participation, he said.

Kim pledged to gradually increase investments in education to the level of 5 percent of the national gross domestic product during his tenure in office.

Hyundai Motor Co. Opens New Research Center

SK2704042695 Seoul THE KOREA TIMES in English 27 Apr 95 p 8

[FBIS Transcribed Text] Hyundai Motor Co. opened a technology research center equipped with high-tech development and testing facilities on a 3,399,000 square meter site on the midwestern coast in Kyonggi-to yesterday.

The company took 10 years to complete the center, which has cost it 500 billion won.

The technology development sector is composed of a design lab, test lab, research lab, prototype lab and engine and transmission lab on a 825,000 square meter lot. The complex has a test track equipped with high-tech facilities which allows maximum speeds of 250 kilometers an hour.

The test track is the world's 10th largest one, coming behind those of the U.S. Big Three, Nissan, Toyota and others.

The company plans to invest 7 trillion won in R&D through the year 2000.

Samsung Motors Begins Construction of Pusan Plant

SK2704045295 Seoul THE KOREA TIMES in English 27 Apr 95 p 8

[FBIS Transcribed Text] Samsung Motors, Inc. broke ground on construction of a passenger car plant at the Sinho industrial complex in Pusan yesterday in a ceremony attended by some 4,000 people, including Trade, Industry and Energy Minister Pak Chae-yun, Pusan City Mayor Kim Ki-chae, Pak Hong, president of Sogang University, and Samsung Motors chairman Yi Pil-kon.

Samsung will construct a plant with a total floor space of 669,900 square meters on the 1,815,000 square meter site by March, 1997.

Cars will be mass-produced from the first half of 1998 after manufacturing of trial cars in October, 1997, and testing until December, 1997, said Samsung Motors chairman Yi.

The company plans to manufacture 65,000 large and medium-sized cars in 1998 and to increase production to half a million by 2002.

The plant will be composed of some 20 manufacturing lines and office buildings housing high-tech engineering facilities arranged in the most efficient way, Yi said.

In particular, the production lines will be of intelligent body assembly system (IBS) capable of assembling eight kinds of sedans from small to large on the same line, a significant advance over the three assemblable on existing lines through computerized control, he said.

The company will introduce the world's top painting facilities, engines with fuel-efficient aluminum cylinder blocks and Q-type suspension systems with great coziness and stable steering, he told reporters.

He said that Samsung will invest a total of 4,300 billion won (approximately $5.65 billion) in car manufacturing by 2002 and earn 10 trillion won in annual turnover, employing 150,000 persons that year.

Yi said, "The Korean auto industry needs to make strenuous efforts and to invest in R&D to improve quality in the limitless struggle unleashed by the inauguration of the World Trade Organization even if it did take sixth place in auto production in 1994."

In particular, Samsung plans to invest some 1 trillion won in R&D through 2002 and to develop engines, transmissions and sashes in 2003, he said.

Burma

ABSDF 'Statement' on SLORC's Thai Incursions

BK2704021695 (Internet) BurmaNet News in English 0100 GMT 27 Apr 95

["Statement on the Mounting SLORC's Human Rights Abuses on the Karen Refugees on Thai Soil" issued by the "Foreign Affairs Office Central Leading Committee All Burma Students' Democratic Front, ABSDF" on 25 April; place not given]

[FBIS Transcribed Text] Regarding on the recent event where as many as 300 Slorc [State Law and Order Restoration Council] troops under the name of DKBO [Democratic Karen Buddhist Organization] swept into Mae Lor Ta and Mae Wee Klu refugee camps, deep inside Thailand's Tha Song Yang District, early on 23.5.95, killing two Karen refugees, abducting several people and threatening to burn the camps down.

Recalling on the fact that 20 Slorc troops, on 23.1.95, intruded into Thailand and attacked the five trucks carrying the Karen refugees from Mae Pho Hta, a village on Thai side of the Thai-Burma border at the junction of Moei and Salween rivers, to a new refugee camp site at The Loh Thi Hta in which two Karen women and a Thai driver were killed , and 10 others, including four small children were seriously injured,

Recalling on the several rounds of Slorc's manipulated abduction of the KNU [Karen National Union] officials and Karen refugees including a senior Buddhist KNU official, namely, Man Yin Sein and other five Karens from Mae La refugee camp in Thailand on 9.2.95,

Recognizing the value of all human life and regretting any loss of life in Burma created by Slorc's war against the people,

Emphasizing Slorc's human rights abuses not only in the country but also its increased extension to the outside of the country now,

Emphasizing with increased concern about the security of the Karen refugees and all Burmese refugees who are staying under much scare of attacking by Slorc troops in the refugee camps on Thai soil,

Denounces extended Slorc's rights abuses by killing refugees, harassing unarmed refugees, threatening to destroy refugee camps and abducting refugees even on the Thai soil. Demand the Slorc to stop its mounting human right violation inside and outside of Burma.

Appeal earnestly to the Thai government to effectively step up the security measures for the protection of the Karen refugees and all Burmese who are now taking refuge in Thailand in order to prevent any intrusion of Burmese troops inside Thailand which violate the Thai sovereignty and also not allow to happen like these events again.

Appeal earnestly to the UN and international community, to seriously consider to reach a correct resolution toward the escalating insecurity problems and to see the refugees on Thai soil are being effectively protected, by establishing a UN monitoring program and international participation.

[Signed] Foreign Affairs Office Central Leading Committee All Burma Students' Democratic Front

Minister Reports on Rice Exports, Other Crops

BK2604030895 Rangoon TV Myanmar Network in Burmese 1330 GMT 24 Apr 95

[FBIS Translated Excerpt] A coordination meeting on agriculture was held today in the conference hall of the head office of the Myanmar [Burma] Agriculture and Farming Enterprise in Ninth Mile, Mayangon. The meeting was held to review performance in the agriculture sector between 1992-93 and 1994-95 and to set policies for 1995-96.

Addressing the meeting, Agriculture Minister Lieutenant General Myint Aung said a paddy production target of 900 million baskets was set for 1994-95. He said that during this period, 11.92 million acres of monsoon paddy were cultivated and 2.6 million acres of summer paddy. He said summer paddy cultivation would continue until the end of April. He said over 1 million tons of rice was exported this year—unprecedented in the last 30 years.

He attributed the ample domestic rice supply and export capability to the year-round cultivation of paddy. He said although supply is abundant overall, there are some areas in various states and divisions where supply is insufficient and that sustained efforts should be made to correct this. [passage omitted on advice on rice production]

He said 16 million acres of paddy would be cultivated in the coming year—12 million acres of monsoon paddy and 4 million acres of summer paddy—and a paddy production target of 1 billion million baskets [1 basket equals 1.125 bushels] of paddy has been set. He said the self-sufficiency target for cooking oil was three years, and that oil crops would be cultivated beginning this year to achieve the target. Domestically produced crops are expected to replace one-third of the imported cooking oil. Cultivation of beans and lentils for export is also to be encouraged.

He said there is already a good basis for production of industrial crops, but there is room for improvement. He said acreage for sugar cane, cotton, and beans would be expanded but acreage for oil crops and jute would remain the same. Efforts should be made to increase yield per acre. He said private sector participation is needed in rubber cultivation. He said there is much fallow and virgin land available. He said there are 21.5 million acres of land under cultivation, 3 million acres of fallow land, and over 2 million acres of virgin land. He invited local and foreign organizations and companies to develop and farm this land in sections of 500 to tens of thousands of acres. He said the country would develop further through increases in agricultural production and exports. [passage omitted on water resources and need for field work]

Brunei, Malaysia & Singapore

Malaysia

Mahathir Comments on Role of Opposition

BK2604124895 Kuala Lumpur Voice of Malaysia in English 0800 GMT 26 Apr 95

[FBIS Transcribed Text] Datuk Sri Dr. Mahathir says the reduction in the opposition, especially in state assemblies, does not mean that there will be no checks and balances.

The Barisan Nasional [BN, National Front] is made up of 14 parties and they could check each other or prevent any one party from trying to take everything for itself. He makes clear that the government does not totally reject the opposition. But oppositions like PAS [Pan-Malaysian Islamic Party] and DAP [Democratic Action Party] are not needed because they do not need constructive criticism.

Asked by newsmen when the new federal government will be formed, the prime minister said it will be done as soon as possible. He said the elected BN candidates will be put to work from now because five years is not a long time.

Commentary Applauds National Front Victory

BK2604152695 Kuala Lumpur Voice of Malaysia in English 0810 GMT 26 Apr 95

[Station commentary]

[FBIS Transcribed Text] Once again, Malaysians went to the poll to exercise their democratic rights for the ninth time since independence.

The ruling National Front, the Barisan Nasional's win this time again does not come as a surprise. For a party that has guided Malaysia into economic prosperity and political stability, it must be doing something right. In voting, the Malaysian people have opted for continuity. This makes sense, for it is just no good to rock the boat at this stage where Malaysia is aggressively pursuing industrialization as its long-term goal.

It was this government that wrested freedom from the colonial powers and made Malaysia what it is today. Malaysia is unique in that its brand of politics requires a delicate working formula given the multiracial, multireligious, and multicultural facet of the country and its people.

The Barisan Nasional has continually applied this formula and its success has been reflected by the people's confidence in returning the Barisan Nasional to power. Nevertheless, it has not been smooth sailing for the government.

During the formative years, there were some difficult times. In the mid 80's Malaysia, like the rest of the world, plunged into an economic recession. Realizing the economy could not continue to be commodity-based, which was subject to severe price fluctuations, the government made a bold decision to diversify the economic base.

It saw the manufacturing sector developed into the nation's leading growth sector, with the private sector being the main catalyst for growth. Part of the plan included Malaysia's foray into heavy industries like the national car project. There were many detractors then, skeptical whether a developing country like Malaysia could pull it off and at such a speed then seen as insurmountable.

The country also embarked on an aggressive campaign to woo foreign investment in efforts to develop the manufacturing sector. Such pragmatic policies pitted against a backdrop of political stability have paid off. Now Malaysia is reaping the gains of those difficult decisions, having chalked up seven years of consecutive growth.

The national car project is a resounding success, having carved a sizable niche locally and having made inroads into foreign markets. Malaysia has thus become the envy of many other countries in view that its economic growth has been able to be maintained at above 8 percent. In the process poverty, a scourge of developing countries, has been reduced significantly.

Being a practical government, the Barisan Nasional is not resting on its laurels, knowing very well the pit stage of complacency despite being at the helm for 38 years now. It is continuously formulating new policies to take the nation into the 21st century. This is evident with the gradual transition toward capital-intensive and high-technology industries rather than labor- intensive ones.

In the pursuit of economic wealth however, the government has not lost sight to continually instill spiritual and moral values, keeping in mind the quality of life is equally, if not more important. Much credit should go to the far-sighted policies of Prime Minister Datuk Sri Dr. Mahathir Mohamed and his able government in providing the right tonic for future growth and prosperity.

Mahathir Cites Support for Foreign Policy

BK2604150895 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 26 Apr 95

[FBIS Translated Text] During the news conference which was also attended by foreign journalists, the prime minister commented on the people's undivided support for the country's foreign policy.

Responding to a foreign journalist, Mahathir said:

[Begin recording in English, in progress] [Mahathir] ... willingness of the voters not only to support the government but to enhance its support of the party, reflects their support for the policies of the government. And certainly the policies of the government includes our foreign policy. And ... we, everybody in Malaysia knows how strongly we feel about things like the EAEC [East Asia Economic Caucus], our participation in APEC [Asia Pacific Economic Cooperation], our concern about the oppression of Third World countries, and a whole lot of things. We will certainly continue with this policy, and if possible, we will make ourselves heard even louder. Because we think that what the voters have done is to endorse our foreign policy. They have not in any way rejected what we have done. We are therefore strengthened by their endorsement.

[Unidentified reporter] Thank you very much, honorable Datuk Sri Dr. Mahathir. [end recording]

Singapore

Minister Protests 'Attacks' by Philippines

BK2604030595 Singapore THE STRAITS TIMES in English 24 Apr 95 p 1

[Report by Zuraidah Ibrahim]

[FBIS Transcribed Excerpt] The Singapore Government yesterday conveyed to the Philippine government its astonishment and dismay at certain remarks made by three Filipino officials after Wednesday's joint examination of murdered maid Della Maga's remains.

Foreign Affairs Minister Jayakumara has written to his counterpart, Foreign Secretary Roberto Romulo, to protest against their baseless attacks on the Singapore panel which had participated in the joint examination in Manila, a Government statement said yesterday.

The three Filipino officials are Mr Hesiquio Mallillin, a member of the presidential fact-finding Gancayco commission, Dr Maximo Reyes, the National Bureau of Investigation's senior medico-legal officer, and Professor Jerome Bailen, consultant to the Philippine panel at the joint examination.

Mr Mallillin was quoted in newspaper reports as saying the Singapore pathologists had merely observed the joint examination and were "as meek as lambs" and deferred to the American consultants.

Dr Reyes had accused the Singapore doctors of lying.

The Singapore Government also protested against Prof Bailen's "baseless accusation" that the Singapore forensic experts or their minions might have strangled Mrs Maga themselves to justify a pre-determined autopsy finding, said the statement.

Prof Bailen, a University of Philippines anthropology academic, was quoted as levelling this charge by at least two Philippine newspapers on Saturday.

He alleged that the Singapore experts, Professor Chao Tzee Cheng and Dr Wee Keng Poh, or their minions "tampered with the cadaver of Maga to simulate signs of strangulation".

He also implied that the three American consultants on the Singapore panel, Professor William Maples, Dr Cyril Wecht and Dr Michael Baden—whom he alleged were paid by [Singapore dollar] $500 an hour—were not objective.

The Government statement said: "They are baseless attacks on the professional integrity of our pathologists and their American consultants. Such remarks cannot contribute to the process that the two leaders have agreed upon, which is to establish the truth."

The statement added that the best course now was to have the remains of Mrs Maga brought before a third party panel as early as possible. [passage omitted on rebuttal by Prof Chao]

Lao Prime Minister Arrives on Official Visit

BK2504031995 Singapore Radio Corporation of Singapore in English 1000 GMT 24 Apr 95

[FBIS Transcribed Text] The prime minister of Laos has arrived in Singapore for a four-day official visit. Mr. Khamtai Siphandon is accompanied by his wife and senior officials. Earlier in the day, Mr. Khamtai called on President Ong Teng Cheong and Prime Minister Goh Chok Tong.

The focus of the visit is on the development of bilateral relations with particular attention on trade and investment. The highlight of Mr. Khamtai's visit will be the signing of an air services agreement which will establish direct air links between Singapore and Laos.

Indonesia

Editorial Examines Proposal To Restructure UN

BK2604140995 Jakarta REPUBLIKA in Indonesian 25 Apr 95 p 6

[Editorial: "Restructuring of the UN"]

[FBIS Translated Text] An echo is again heard with regard to the call to restructure the United Nations. Indonesia's current proposal calling for the restructuring of the international organization was particularly a topic of debate during the meeting of the Nonaligned Movement's [NAM] Ministerial Coordinating Bureau (BKTM). The NAM's ministerial-level coordinating bureau is in Bandung to commemorate the 40th founding anniversary of the Afro-Asia Conference.

In fact, this is not the first time that such a proposal calling for the UN organization to be restructured was made. Prior to the call made by Indonesia, numerous Third World countries also had made similar proposals. The NAM's high-level ministerial conference in Cairo, Egypt, officially submitted a recommendation in June last year.

Comparable to the previous proposals, Indonesia's current proposal was made after giving much consideration, among other things, to the undemocratic manner in which the UN Security Council makes its decisions. This is because of the veto right afforded to the five permanent members of the UN Security Council—namely the United States, Russia, the United Kingdom, France, and China. The permanent members of the Security Council can veto any decision—some of which had been agreed upon during long negotiations.

The current question is, will the current proposal only remain as a UN "note"—similar to the previous proposals submitted? It is hoped that this will not occur because we consider the current proposal more concrete and, moreover, it was submitted at an auspicious moment.

First, we say it was submitted at an auspicious moment because UN Secretary General Butrus-Butrus Ghali is currently attending the Afro-Asia Conference anniversary. It was assumed that the impact would be greater if the proposal was submitted to the UN's highest-ranking executive.

Second, the proposal came from NAM members, a political coalition that represents the largest number of sovereign countries compared to any other group. This means that it will be impertinent if the United Nations disregards this proposal made by the representatives of the majority of the world community.

Third, the world is continuously and totally facing changes. The West or communist blocs no longer exist, which indicates the policy on the formation of the Security Council permanent members is no longer considered relevant.

Fourth, there are continuous criticisms with regard to the UN's role and functions in maintaining international peace and stability. The criticisms, including criticism of the Security Council structure, should be seriously viewed while the developed nations, which have all along dominated the Security Council, should display a more equitable attitude toward Third World countries.

Another important factor associated with the proposal to restructure the United Nations is that the developed nations should show a greater degree of understanding. In reality, the developed nations play a greater role in making decisions for the United Nations. This is because they make huge contributions to the United Nations for operations and because of their credibility as developed nations. However, the developed nations can play a greater role toward creating a more equitable and democratic United Nations.

It should be realized that a proposal to restructure the UN organization does not mean that the Third World countries no longer require the UN's services. Unquestionably, the international organization's role as an organization for peace is still greatly needed. As such, it would be wrong if there are perceptions or thoughts implying that the call for restructuring was due to a conflict that exists between the Third World countries and their developed counterparts. It would be more appropriate if there are perceptions or ideas projecting an impression that such a proposal by the Third World countries was simply a contribution toward creating a more democratic and efficient United Nations.

Editorials View Bandung Conference Anniversary

BK2604141395

[FBIS Editorial Report] Two newspapers carry editorials on the 40th anniversary of Asian-African Conference in Bandung. The conference is being attended by 83 delegates from 12 Nonaligned Movement [NAM] member countries.

Jakarta SUARA PEMBARUAN in Indonesian on 24 April carries a 600-word editorial on page 2 entitled: "Four Decades of the Asian-African Conference."

The daily says: "The commemoration of the Asian-African Conference in Bandung is linked to the ministerial meeting of the NAM Coordinating Bureau, which will begin on Tuesday, 25 April."

The editorial adds: "The Asian-African Conference, which was initially regarded as unimportant by Western countries, has achieved three important things for the world. First, the conference managed to bring China out of isolation and China now has become one of the world's political powers. Second, the conference influenced public opinion and the United Nations to oppose against any form colonialism. As a classic example, we saw that only four countries (Egypt, Liberia, Ethiopia, and Sudan) in the African continent were independent when the Asian and African leaders held their meeting in Bandung in 1955. One decade later, the number increased by several fold. Third, the Asian-African Conference, which gave birth to the 10 Principles of Bandung, also served as the basis for the establishment of the NAM in Belgrade, Yugoslavia, in 1961. The NAM was then made up of 25 newly independent countries."

The editorial notes the historical link between the Asian-African Conference and the NAM and hopes that the outcome of the NAM Coordinating Bureau meeting will be input tabled at the 11th NAM summit scheduled to be held in Cartagena, Colombia in October this year. It also notes the complexity of the problems facing the world now, judging from main issues to be discussed at the NAM Coordinating Bureau meeting. The NAM now has become a reliable forum on the world's political map. UN Secretary General Butrus Butrus-Ghali's visit to Indonesia a few days before the conference was partly to seek the NAM's support for UN peace plans.

Concluding, the daily says: "We are optimistic that the NAM will be able to meet the world's demands, which are becoming more dynamic. We thank God that history has proved the Bandung Principles adopted 40 years ago can remain as the guide for achieving the NAM's objectives."

Jakarta KOMPAS in Indonesian on 25 April carries a 900-word editorial on page 5 entiled: "The 1955 Bandung Spirit and Economic Injustice."

The daily says that the commemoration of 40th anniversary of the Asian-African Conference was observed in Bandung on Monday, 24 April, marked by speeches from President Suharto and UN Secretary General Butrus Butrus-Ghali respectively. The NAM Coordinating Bureau ministerial meeting is being held simultaneously at the same place.

Noting the significance of the conference, the daily says that it gave birth to the 10 Bandung Principles after Asian and African leaders met in Bandung in 1955 and served as the basis for the establishment of the NAM at the Belgrade Conference in 1961.

The daily adds: "Although there are some differences in the principles of the Asian-African Conference and the NAM conference, we would like to stress that all countries involved in the two conferences have accepted the principles enshrined in the Bandung Principles as a political manifesto for Third World countries." It quotes President Suharto as saying at the opening ceremony: "There is a common concern for the struggle for world peace that has not been achieved. In certain countries, wars are still being fought and they cannot be resolved through negotiations and other peace processes, thus causing heavy casualties to the people. Looking at the world economic situation, we are concerned over the fate of poor people and the developing countries that are still backward as a result of international economic injustice."

The daily continues: "Political injustice is a bitter reality with which the NAM member countries have to put up. Likewise, in his interview with KOMPAS on Sunday, 23 April, Butrus Butrus-Ghali said that it is very difficult for him influence or to resort to any action when the United Nations is under the political domination of the five countries that are members of the United Nations Security Council. A concrete example is to settle the differences between the Western countries and the NAM member countries led by Indonesia on issues related to the Nuclear Nonproliferation Treaty." Continuing, the daily says that accordingly, Butrus Butrus-Ghali has called on the NAM member countries to continue to fight for their interest via the United Nations and not on its own initiative.

The editorial adds: "Given the international political and economic injustices, the call made by Butrus-Butrus Ghali is advantageous to the NAM rather than something confrontative. On the other hand, cases such as the differences of opinions on the Nuclear Nonproliferation Treaty, the economic sanctions against Iraq, and the air embargo on Libya will annoy the United Nations because economic injustice is becoming more serious".

The daily says that most of the NAM members took a hard line stand on the Bosnian issue at the NAM summit in Jakarta in 1992. They strongly criticized the United Nations and West European countries for failing to settle the ethnic conflicts there.

Concluding, the paper says: "The Bandung Conference is not just a tea party as the Western media described it in 1955. It has become a historical event, and under the uncertain situation of the post-Cold war era, we can conclude that the '1995 Bandung Spirit' is still closely relevant for the struggle against political and economic injustices."

Editorial on Fewer ABRI Representatives

BK2604141595 Jakarta REPUBLIKA in Indonesian 26 Apr 95 p 6

[Editorial: "Not Quantity but Quality"]

[FBIS Translated Text] The government undertook a new step on Monday (24 April). Three high-ranking and important officials, namely, the home minister, the minister/state secretary, and the Armed Forces chief, held separate discussions with Wahono, the speaker of MPR/DPR [House of Representatives/People's Consultative Assembly]. Their consultations centered on the government's plan to draw up a draft amendment regarding the reduction of ABRI [Armed Forces of Indonesia] representatives in the DPR. The draft amendment will focus its attention on the reduction of ABRI representatives in the DPR from the current 100 to 75 representatives.

This is a new step because since the 1971 general election, the number of ABRI representatives in the DPR has never been reduced. On the other hand, as a result of the 1987 general election, the number of ABRI representatives in the DPR increased from 75 persons (which is 15 percent of the total of 500 representatives in the DPR) to 100 persons (20 percent). The number has been retained since the 1992 general election.

It is desirable to have a plan to reduce the number of ABRI representatives. As explained by Minister/State Secretary Murdiono, the basis for the reduction is connected to the democratic development occurring within the country. If we take a step backwards and look back into history, one-third of the DPR composition—comprised of ABRI representatives—was aimed at overseeing Pancasila and the 1945 Constitution. However, the Pancasila ideology currently is secure and stable and ABRI's presence within the DPR as one of the protectors of Pancasila and the 1945 Constitution needs revision.

What can we deduce from this? One thing is clear—the government feels the existence of democracy within our society is more dynamic and that it is also more mature. There definitely will be differences as to how society's maturity is measured. But, if there were any conflicting differences about ideology, it would only be minimal or could be less—similar to what happened during the old order.

Viewed from another aspect and taking into account the ABRI's own initiative to reduce the number of its representatives, it was observed that ABRI desires to provide greater opportunities to the public to serve in the DPR. On a wider scope, ABRI's initiative can be considered a reflection of its good intention toward increasing greater future mental development, particularly within the context of implementing Pancasila democracy in the country.

If we consider carefully, this move for democratization is not particularly meant for ABRI. We remember vividly how the process of democratization and transparency was phenomenally initiated by the ABRI faction in parliament. The democratization process is continuously spreading nationwide as result of ABRI's representatives in the parliament.

We feel that the reduction of ABRI representatives in the parliament will not be a relevant matter in determining the role of the DPR toward realizing people's aspirations. More importantly, we should observe as to how far our representatives in the parliament will remain wary of society's aspirations and their ability to channel people's aspirations to the government. This means that society needs to have their representatives in parliament—irrespective of what factions they represent. Their representatives should be qualified and have the capability to accommodate the people's aspirations.

Viewed from another context, we are confident that the move to reduce the number of ABRI representatives in the DPR is not in any way connected with the question of quantity; that is, the reduction or addition of seats in parliament for any faction. Notably, this move is a reflection of the desire to create a more trustworthy, clean, and efficient parliament.

ABRI Leader Warns Against Clandestine Groups

BK2604150295 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 26 Apr 95

[FBIS Translated Text] Lieutenant General Suyono, ABRI [Indonesian Armed Forces] chief of general staff, has called on people from all walks of life to be vigilant against clandestine underground groups bent on overthrowing the government. Lt. Gen. Suyono made the remarks when he was inspecting a field rehearsal by members of the Garuda Dempo Area Military Command in Palembang yesterday. He said that public participation is needed to combat and eradicate the underground groups. He also reminded people that these groups conduct covert and undetectable activities aimed at overthrowing the government.

Laos

* Writers Discuss War Damage, Experiences

* Convoy to Chalo Remembered

95SE0124A Vientiane PASASON in Lao 28 Jan 95 p 3

[Article by Thongseui Khotvongsi]

[FBIS Translated Text] At 0400 hours on 19 January 1995 I got up to write about the events of 29 years ago in the south of Laos.

The sounds of the jets, the T-28's and the photo reconnaissance planes roaring overhead still resonate in my ears. I will never forget the sights and sounds of life and death from "Chalo" (Khammouan Province) to the office for the south in Senoi Laboun, and to Vongsikeo, Phin District, Poung Khang, and other places. I still have visions of that war all of which I cannot record on paper.

In the rainy season of 1966 the Supreme Headquarters, which included Mr. Khamtai Siphandon, Mr. Osakan Thammatheva and Mr. Thonglai Kommasit, agreed for me to go down to the South of Laos (Savannakhet Province). But when I reached Hanoi before going to the South, Office 48 had me bring along 40 cadres from six provinces who had finished studying theory.

When we reached the Vietnamese-Lao border, before we passed Chalo and entered Laos, something strange happened we had never seen before. The sun was partly behind the mountains. Many of the air pirates flew up. I thought that they had been acting suspicious in Viangsai, but this was even more suspicious. Before we left in our vehicles, our Vietnamese neighbors, who have all lived and died with us, camouflaged them with bushes. There were several hundred vehicles ready to leave transporting every type of equipment. Every vehicle was covered with branches. All the vehicles traveled together. The more than 40 Lao boarded two vehicles, which provided enough room. Then we headed for the Chalo Valley. Chalo was the only river valley through the border and the high mountains between Laos and Vietnam. Those vehicles which could get through did so, and those which could not were left. Overhead enemy aircraft of all types dropped bombs 24 hours a day. The parachute flares were dropped at intervals and made it as bright as day. The enemy thought that the flares would allow the air pirates to see their targets so that they could hit them and could see our vehicles. But this was not the case. Hundreds of our transport vehicles were able to pass through there by not using their lights. The enemy dropped an enormous number of bombs and the smoke from the explosions rose to the sky until they could not see our vehicles passing by with their binoculars. But they did not stop dropping bombs continuously. When a truck was lost, a new one took its place. The photo reconnassaince aircraft roared overhead and took pictures continuously. The light of the fires was enough for us to drive by. The two vehicles we were riding in crept along at the rear of the group. When the group went, we went. When we looked at our clothing, it was bathed in sweat front and back. None feared the enemy even though the bombs exploded on both sides like thunderbolts during August and September. All the revolutionary combatants who braved death for the nation were ready for the following: if they fell, another would continue on. We felt the same way. Everyone had decided to get through without grumbling or saying anything. One could say that during that time the high mountains would fall down before any enemy or poisonous snake would defeat the special fighting spirit of Laos and Vietnam.

When our convoy arrived at Chalo Mountain, an area which the enemy hit heavily both day and night, we had reached the cliff and the secret office. It was only then that we learned who was dead and who was alive. However the jets, T-28's, aircraft dropping flares and photo reconnaissance aircraft did not stop and return home. They continued to search for these patriotic soldiers to kill them. But we were staying in the deep forest in a big cave where no bomb which could defeat us.

* Report on Viangsai Antiaircraft Units

95SE0124B Vientiane KONGTHAP PASASON LAO in Lao 25 Jan 95 p 3

[Article by Thongseui Khotvongsi]

[FBIS Translated Text] At the end of the rainy season in 1964 the forests and fields were still beautifully green in the distance. The cadres, soldiers, and people of Viangsai District were happy. The cadres in every unit were all determined to do their work. The artists sang and danced and practiced dancing, and the sounds echoed to the sky constantly. The soldiers of the antiaircraft unit were prepared to fight at all times. The printing shop was determined to print documents in its busy cave. The doctors in the Navit Hospital were determined to care for the sick. And the teachers' training school at Ban Nakhao strove to train people. The atmosphere was full of revolutionary spirit.

One evening a jet of the air pirates flew from the East and dove toward an LPA antiaircraft emplacement for the first time in Viangsai District. The jet dove into the bullets in the air and was damaged. It dove past the office of our radio station toward the west and fled. Then the cadres, soldiers and people of Viangsai District were incomparably happy.

The next day was the first big battle. They mobilized their forces and attacked Viangsai District heavily by air.

Starting in the morning when the sunlight had still not gotten over the mountains, a large group of dozens of planes swooped down and up. The noise reverberated to the sky. The earth was torn up. Every anti-aircraft battalion of light and heavy weapons positioned in the field, on the mountains and at the offices of organizations was bravely waiting for aircraft of the air pirates to fly past.

My group at the radio station was ready and grabbed its weapons to fight the enemy in the air immediately. We sat writing in the shade of trees. When aircraft swooped down, we grabbed our weapons and went out into the open to shoot at them. The sound of the gunfire reverberated to the heavens. Every anti-aircraft gun in the mountains, every gun mounted on A.M. vehicles and every infantry rifle in every unit only wanted the aircraft to fly at them. They fired until the dark sky covered the land.

The first day I and Comrade Houmphan each grabbed our rifles because we hated the enemy very much. The young people were impatient and all risked death by going out on the Long Kou plain. There was a thick forest there to keep the enemy above from seeing us. We went into the dense forest and saw four T-28's diving down and shooting at Ban Bak An Village which showed that they were ignorant. The village was abandoned, and they were shooting without stopping.

Houmphan turned his head, cupped his ear and said that we should let them dive down close before we shot and that we should not be impatient. Many times the T-28's flew straight at us. We fired until we were out of bullets, but they found ways to avoid our bullets. They flew right and left and then flew off, but they did not forget to drop their bombs. Each time when they dropped their bombs and they exploded over there reverberating to the sky and shaking the earth, how could we refrain from turning and looking at the aircraft and the antiaircraft located on the hill there. Our antiaircraft battalions were very skillful and fought the entire day. Death did not frighten them much.

When the air pirates fled, the guns fell silent. We ran to find the antiaircraft units located on a hill in the forest. The fires were still burning. All the combatants were bathed in sweat. Some were black with gunpowder smoke and dust, but they were all brave and strong. Some were exhausted, thirsty and hungry, and some were injured slightly.

Then central authority and the supreme military headquarters made a great effort. Many in the leadership came out to rally their spirits: Mr. Kaison Phomvihan, Mr. Khamtai Siphandon and others praised them and presented medals for bravery and gifts. In the midst of this the people, cadres, soldiers and cultural units came in large numbers to honor them. The four antiaircraft emplacements made up of both Lao and Vietnamese volunteers celebrated their victory until midnight when they took leave of each other and prayed for greater victories another day.

* Attopeu War Damage Cited

95SE0124C Vientiane VIENTIANE MAI in Lao 25 Jan 95 p 5

[Article by P. Thavisouk]

[FBIS Translated Excerpt] Sansai is a district affiliated with Attopeu Province and is distant and isolated. [passage omitted]

Speaking of Sansai District, in the past it suffered severe war damage from the old colonialists and the new colonialists of which there is evidence even now. The craters and ruins of all kinds still remain so that the fathers' generation and the children's generation can see the evidence of the destruction and the crimes of the colonialists against the people, which are unforgetable even today. [passage omitted]

* B-52 Bombings in Xieng Khouang

95SE0124D Vientiane VIENTIANE MAI in Lao 15 Feb 95 p 7

[Article by S. Selanong]

[FBIS Translated Excerpt] When we speak of "Xieng Khouang" we remember the history of the brave struggle of the cadres, combatants, and people of the hero province of Xieng Khouang. Xieng Khouang today has changed from what it was because in the past the sky of Phouan District in Xieng Khouang Province was dark with the gunpowder smoke and the explosives of the imperialists.

When they hear the word "bomb," the people of Xieng Khouang and the multiethnic people of Laos throughout the country are afraid and unhappy. If one mentions war, the people of the world do not want to hear about it because war does not bring peace; it just causes losses to life and property. Be that as it may, there was a brutal war in this area which caused innocent people to lose their lives or to be disabled from loss of limbs. It caused innocent children to become pitiful war orphans. In addition houses and villages, fields and gardens, temples and heritage were destroyed.

During this struggle to redeem the nation the imperialist invaders employed every type of aircraft, including the strategic B-52, to drop 3 million tons of bombs on Laos. Xieng Khouang Province is thought to have received the most damage such that one can see from an aircraft the craters which are still distributed throughout the Xieng Khouang plateau. Some of the bombs which fell on Xieng Khouang exploded, but there are a number which did not explode and still remain in the earth of the high grasslands, the ricefields, and in the villages of the people. These are generally antipersonnel "bombs." In the past many children of the people of Xieng Khouang died because of these bombs. Because of this danger the "Mennonite" organization set up a unit to retrieve and destroy these bombs in order to make conditions better for developing the economy and society of the people of Xieng Khouang Province and in order to avoid future losses in lives and property. [passage omitted]

Philippines

Leaders Want Dialogue With PRC on Spratlys

BK2604141495 Manila MANILA STANDARD in English 22 Apr 95 p 2

[Report by Marichu A. Villanueva and Joem Macaspac]

[FBIS Transcribed Text] Senate President Edgardo Angara yesterday said that a quiet backdoor diplomacy is needed to ease the tension between the Philippines and China in the disputed Spratly group of islands.

In yesterday's meeting of the National Security Council in Malacanang, Angara offered to lead a mission that would hold a dialog with Chinese officials on the Spratlys issue.

He said he had already accepted an invitation to visit Beijing in June or July for talks with Chou Si, chairman of the National People's Congress, who is viewed by many as the strongest contender to the post of ailing Chinese leader Deng Xiaoping.

President Ramos, during the meeting, also said that he was confident China will eventually give in to the Philippine proposal for a joint development of the Spratly Islands.

"The Chinese will resolve the contradiction in favor of progressing together with its neighbors in East Asia," the president said.

Dialog

Mr. Ramos view is buttressed by his observation "of the seeming contradiction between a Chinese economy increasingly dependent with those of its neighbors and Beijing's continuing insistence on following an obsolete concept of politics."

Outgoing Foreign Secretary Roberto R. Romulo, who was also present at the meeting, said that the Philippines and China continue to profess their joint commitment to peaceful dialog.

Romulo said that both sides have agreed to refrain from committing destabilization acts that would complicate the already volatile situation in the South China Sea.

Romulo said the Philippines has proposed that all claimant countries should engage in cooperative activities in the disputed area like in the development of oil friends [word as published].

But before this can take place, according to Romulo, China and the Philippines must first build an atmosphere of trust and confidence.

Earlier, Mr. Ramos discounted war erupting between China and the Philippines over the dispute, saying that the relations between the two claimant nations have not reached a crisis point.

He said there has been no change in Beijing's tone that might signal to us that our bilateral dialog on the subject is no longer positive.

Mr. Ramos said a report by a pro-Beijing magazine that China may wage war against the Philippines to assert its claim over the entire Spratly Islands in the South China Sea should not be taken seriously.

"This perception (of a war erupting) comes only from a magazine article... it does not represent any kind of official commentary," Mr. Ramos said.

Romulo said that any use of force by China in the South China Sea will not legitimize its claim.

U.S. position

"The first one to use armed force in seeking to resolve its claim is the first one to lose its moral and legal right to such a claim," Romulo said.

Romulo also cited the U.S. position on the dispute saying that Washington continues to oppose any use of force in the area.

Angara said there would be no war between the Philippines and China "because both countries are firm and determined to resolve this issue diplomatically and peacefully through official or non-official means."

This is why, he said, he offered to make this "back channel" talks with fellow parliamentaries in Beijing.

Sen. [Senator] Blas F. Ople, chairman of the Senate Foreign Relations Committee, noted that the Philippine position on the Spratlys is supported by the United States, the Non-Aligned Movement, and the European Union when they called for claimant countries to abide by the Manila Declaration issued by the Foreign Ministers of the Association of Southeast Asian Nations (ASEAN). The Manila Declaration called for peaceful resolution of the territorial conflict.

"The world opinion have lined up in support of the Philippines and therefore China should watch out this signal," Ople said.

PRC's 'Stubborn Stance' on Spratlys Denounced

BK2604141895 Manila PHILIPPINE DAILY INQUIRER in English 22 Apr 95 pp 1, 7

[Report by Lynda T. Jumilla and Juliet M. Labog]

[FBIS Transcribed Text] President Ramos yesterday lashed at China for its "deliberate and studied" moves to intrude into and assert sovereignty over the disputed Spratlys.

He made the statement, described by officials as "the strongest so far," at the sixth meeting of the National Security Council [NSC] called to discuss the conflict with Beijing and other pressing national concerns.

After the meeting, Foreign Secretary Roberto Romulo issued a statement airing a warning to China that it would lose its claim to the Spratlys if it resorts to military force.

"Any use of force by China in the South China Sea will not legitimize its claim," Romulo said. "The first to use its armed force in seeking to resolve its claim is the first one to lose its moral and legal right to make a claim."

The Spratlys, a cluster of 60 islands believed to harbor rich oil and mineral deposits, are also being claimed wholly or in part by the Philippines, Taiwan, Malaysia, and Brunei.

Malacanang decided not to release to the media the president's opening statement at the NSC meeting apparently after a foreign affairs official voiced the concern that it was "too strongly worded."

But a Palace source said Mr. Ramos appeared convinced that China's intrusions into the Spratlys were "deliberate and studied."

"The president observed that there was growing anxiety within the region over the possibility that Beijing was using nationalism to forge national unity in the face of a bankrupt ideology," the source said.

Mr. Ramos recalled that in the early 1970s, China also occupied a portion of the Spratlys being claimed by Vietnam.

Beijing's seizure of the Paracels group sparked a shooting incident between the two countries.

Early this year, authorities discovered Chinese military boats and structures around Panganiban Reef off Palawan.

Located within the country's 200-mile exclusive economic zone, Panganiban Reef is part of the Kalayaan Island Group, that portion of the Spratlys being claimed by the Philippines.

Contradiction

In criticizing China's "destabilization moves" in the South China Sea, Mr. Ramos noted that Beijing's political wants do not jibe with its economic needs.

"(There is) contradiction between a Chinese economy increasingly interdependent with those of its neighbors and Beijing's continuing insistence on power politics," he said.

However, the president expressed confidence that the Chinese government would resolve this contradiction "in favor of progressing together with its neighbors in East Asia."

He said the Philippines' bid for a peaceful resolution of the Spratlys issue was being supported not only by the Association of Southeast Asian Nations (ASEAN) but also by the United States, the European Union, and the Non-Aligned Movement.

Despite its dismay over Beijing's moves, Manila downplayed the possibility of war between the two countries over their territorial row.

Reporting to the NSC, Romulo said the two sides still agree to "refrain from acts that would complicate the matter."

Last Sunday, WIDE ANGLE, a Hong Kong-based monthly magazine reputed to have close links with the

Chinese military, raised the possibility that China would wage war against the Philippines over the Spratlys issue.

It said: "By heavily striking those who first provoke hostilities and by recovering the land and sea that they took, the Chinese military can 'kill a chicken to warn the monkeys.'"

'Tentative speculations'

But Presidential Security Adviser Jose Almonte, who also serves as director general of the NSC, said there was nothing in the WIDE ANGLE story which resembled what came out in the media.

"In fairness to WIDE ANGLE, if you read the one I got which was a loose translation, I don't see anything there which indicates the claim (that China may wage war against the Philippines)," he said.

"Basically, it was reporting on the results of the first (RP [Republic of the Philippines]-China) bilateral meeting and making some very tentative speculations on its own," he added.

Almonte would not elaborate on the "tentative speculations."

The president had already dismissed the issue as "mere perception (coming) from a magazine article... (and) does not represent any official commentary."

The government also said it was willing to engage in cooperative activities, apparently referring to the "joint economic development" being proposed by Beijing, to promote stability in the region.

However, Romulo stressed that "before joint development (of the Spratlys) can be realized, we must first build an atmosphere of trust and confidence."

In his statement, Romulo said the row with China was among the three issues discussed during the NSC meeting. He said the council confirmed that there is a national consensus on government's response to the crisis.

But Romulo, who has resigned his post effective April 30, did not say what the government intends to do about China's stubborn stance on the Spratlys.

No progress

There has been no progress in Manila's protest against China's incursion on Panganiban Reef.

Manila has accused Beijing of installing naval structures on the reef, but Chinese officials maintained that these were shelters for Chinese fishermen.

The two countries tried to settle the dispute at a meeting of senior officials last month in Beijing, but without success.

Foreign Undersecretary Rodolfo Severino, Philippine representative at the meeting, said China maintained its claim over the entire Spratlys, which it calls Nansha.

Marcos Explains Her Political Ambitions

MS2704104395 London FINANCIAL TIMES in English 27 Apr 95 p 8

[Report by Edward Luce, incorporating interview with Imelda Marcos, former first lady of the Philippines; date and place not given]

[FBIS Transcribed Text] The former first lady of the Philippines, Imelda Romauldez Marcos, looks set to win a seat in the Philippine House of Representatives on May 8, if local opinion polls are to be believed.

Despite having been disqualified last Monday from running because she has been resident for less than a year in Leyte (her chosen congressional district and the island of her birth), the widow of former dictator Ferdinand Marcos has been allowed to stand pending an appeal. Lawyers say that if she wins the election, it is possible Mrs Marcos could serve a full three-year congressional term before the Supreme Court delivers its decision.

Meanwhile Mrs Marcos's ability to capture the imagination of many of the country's poor by taking up their grievances about the government's economic reform programme will continue to impress those who had consigned the Marcos family to history when it was toppled in 1986.

"Look at these people. They love me," said Mrs Marcos waving at villagers on the campaign trail. "They know that I love them and they know that the coup against the Marcos's was a middle-class revolution against the poor."

According to Mrs Marcos—who faces 384 charges of human rights abuses, misappropriation of public money and corruption—the finger of blame should be pointed at the Fidel Ramos administration which has opened the economy to foreign business.

"They call what we did 'crony capitalism' because we handed control of public companies to Filipino businessmen," said Mrs Marcos, refering to the circle of business intimates who profited from the Marcos years. "I say that it is better to give economic opportunities to Filipinos than to sell our national assets to foreigners on the cheap."

The opposition National People's Congress (NPC), which opposes much of the Ramos reform programme and has canvassed for a less open economy, has exploited provincial resentment against the Manila business elite.

Despite two years of economic recovery, little of the new wealth appears to have reached the rural poor. Unemployment, which has risen to 8.8 per cent, and underemployment, which the government estimates is close to a fifth of the workforce, have fueled the opposition's contention that the fruits of economic growth have been monopolised by the middle classes.

The execution last month of a Philippine maid in Singapore for double murder has also been taken up by the opposition which accuses the government of indifference to the fate of millions of impoverished Filipinas working overseas. Mrs Marcos is affiliated to the opposition and her son, Ferdinand junior, is a NPC candidate for the Senate.

"Flor Comtemplacion (the executed maid) represents all of us," Mrs Marcos told applauding villagers in Leyte. "She was poor, she was cheated and she was forced to work for foreigners."

After dispensing 20-peso (about 70 cents) bills to outstretched hands and a white envelope containing 2,000 pesos to the village head for the repair of the chapel, the former first lady sung a nationalist ballad m the local dialect.

The performance was then repeated in the next village. "We have now visited all 370 barangays (villages) in the congressional district of Leyte," said Mrs Marcos. "None of the Ramos candidates have done that. They call us thieves but they are not close to the people," she said.

Of the $10bn that the Presidential Commission on Good Government the agency set up to retrieve missing funds from the Marcos years—estimates the Marcoses took from the Philippines before 1986 $370m has been identified in a Zurich bank account.

Appealing against a prison sentence of 42 years arising from the two completed court cases against her, Mrs Marcos says she is prepared to accept a secret government offer made last year to repatriate most of the money from Switzerland.

Under the deal, which was leaked to the press by disaffected members of the commission and subsequently confirmed by government officials Mrs Marcos would exchange the stolen money for a pledge to drop all charges against her.

"The government put forward a 75:25 deal. We would keep 25 per cent of the money which, I must stress, is legitimately ours, while the government would take the rest. It would pain me to give away so much of Ferdinand's hard earned money but at least it would be going to the Philippine people," she said.

MNLF To Probe Involvement in Ipil Attack

BK2604144695 Quezon City ABC-DWET Television in Tagalog 1000 GMT 26 Apr 95

[FBIS Translated Text] The Moro National Liberation Front [MNLF] said today that they will lead in investigating the reported involvement of seven MNLF commanders in the attack of Ipil Town in Zamboanga del Sur. According to MNLF spokesperson Ibrahim Abet Iribani, the MNLF's investigation will be based on the military's report pinpointing the MNLF commanders. In spite of this fact, Iribani reiterated that the subject MNLF commanders were not in Ipil when the bloody attack occurred last 4 April.

Ramos 'Ready' for Results of MNLF Talks

BK2604144795 Quezon City ABC-DWET Television in Tagalog 1000 GMT 26 Apr 95

[FBIS Translated Text] President Ramos has said again that his administration is ready for any possible result in the talks between the government and the Moro National Liberation Front [MNLF]. Ramos also said the MNLF leadership should also be ready for the outcome in order to redouble efforts on the peace talks.

Peace Talks With MNLF To Continue

BK2704031695 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 26 Apr 95

[FBIS Translated Text] President Ramos has assured that his administration is determined to continue with the peace process in Mindanao despite reports that several members of the MNLF [Moro National Liberation Front] participated in the massacre of civilians in Ipil. The president stressed that the Organization of Islamic Conference supports the government's peace process. Four of the six countries comprising the ICO Committee on the Philippine Issue have expressed support for the continuation of peace talks with the MNLF.

[Begin Ramos recording, in English] We have scheduled to have another round of formal talks, hosted again by Indonesia in the very near future. I have issued this statement which emphasizes that the OIC, the Organization of Islamic States, [word indistinct] by the Executive Committee of Six, which is chaired by Indonesia, continues to be supportive of the Philippine peace efforts. [end recording]

Thailand

Army 'Furious' About Karen Border Incursions

BK2704031395 Bangkok THE NATION in English 27 Apr 95 pp A 1, 2

[FBIS Transcribed Text] Chiang Mai—The Army yesterday expressed outrage over repeated territorial violations by armed Karen intruders following the latest attacks on Karen refugee camps in Tak and Mae Hong Son provinces on Tuesday.

But Army Commander-in-Chief Gen Wimon Wongwanit, who visited the camps yesterday to observe the border situation, said the Army would not resort to violent retaliation.

He proposed that a safe area be found deeper inside Thailand for the Karen refugees to prevent easy access by the intruders.

Third Army Region Commander Lt Gen Surachet Dechatiwong yesterday said he and all other Army leaders were "extremely furious" over the "frequent violations of Thai sovereignty".

He said the Third Army Region, which was responsible for the security of the North, including the areas involved, would assert "more preventive measures" to cope with the problem.

Security forces on the long border with Burma would be further reinforced, he said, but did not disclose the number of troops to be deployed in the operation.

According to Thai border and Karen refugee sources, 150-200 armed troops of the Democratic Karen Buddhist Army (DKBA) crossed the Salween River about 1 pm on Tuesday and went into Mae Rama Luang camp in Sop Moei district of Mae Hong Son. The camp was holding about 5,000 refugees.

The intruders attacked and fired upon the refugees and also burnt down two of the seven sections of the camp, forcing several hundreds of "frightened refugees" to flee into the jungle. At least two elderly people were caught and killed in the fire, said the Karen sources.

The sources said they could not confirm the exact number of the people missing or the casualties. The DKBA also clashed with local refugee security guards, they said. At least four were injured and were sent to Mae Sariang hospital for medical treatment.

Both Thai and Karen sources confirmed that several hundred refugees were "forced at gunpoint to cross the Salween River back into Burma".

The other incident took place around midnight when an unknown number of DKBA forces crossed the Moei River into Kamawlaeko, a border camp in Tha Song Yang district in Tak housing about 3,000 refugees, and burned down about 300 houses, according to the sources.

The sources said they could not confirm the number of refugee casualties nor of the number of hostages taken back to Burma by the intruders. Karen sources said the estimated 70,000 refugees were now living in constant fear of jeopardy and harassment by both the DKBA and Burmese troops, who they said often accompanied the Karen intruders into the camps.

Tuesday's intrusions occurred only two days after clashes on Sunday between about 200 Burmese and Karen intruders and local Karen refugee security forces guarding two refugee villages in Tak's Tha Song Yang district.

The violence of the past few days forced Army chief Wimon to pay an urgent fact-finding visit to border areas and the refugee camps yesterday.

Wimon, who was accompanied by Third Army Region Commander Surachet, was also given a briefing at the headquarters of the Task Force 34 in Tak's Mae Sot district and Task Force 35 in Mae Hong Son's Mae Sariang district.

Speaking in Chiang Mai after the trip, Wimon said the armed intruders were "outlaws" who often inflicted problems on Thailand and the Thai people.

"Whenever there is fighting, Thailand and the Thai people are often affected by the spillover, and sometimes narcotics are also involved. They also affect bilateral Thai-Burmese relations which need a long period of time to establish," he said.

Wimon said he planned to propose to the Interior Ministry that a new camp be opened to house all the Karen refugees who were scattered in numerous shelters.

"I will consult the Interior Ministry on the point that these people (refugees) are creating a lot of problems and placing burdens on the Thai people, and that they should all be moved to a new refugee camp where they can stay together," he said.

Surachet said yesterday he would raise the matter of sovereignty and territorial violations with a 25-member Burmese delegation, led by Burma's southeastern commander Maj Gen Ket Sein, which was currently in Thailand for the 11th meeting of the Thai-Burmese Regional Border Committee.

Army Chief Considers Controls on Karen Influx

BK2704043095 Bangkok BANGKOK POST in English 27 Apr 95 p 7

[FBIS Transcribed Text] Army Commander Gen Wimon Wongwanit yesterday said he will consult the Interior Ministry over measures to control Karen refugees seeking refuge in Thai territory.

He said refugees will not be allowed to stay at will along the common border, as this poses a security problem for the country.

Gen Wimon was speaking after inspecting the border situation at Tak and Chiang Rai provinces.

He said he will consult Interior Minister Maj Gen Sanan Khachonprasat over the incident to find effective measures of tackling the problem posed by Karen refugees.

The army commander said people seeking refuge in Thailand should not be allowed to stay near the border area, but should be kept deep inside the country so that security forces can keep them in check.

He said it will be difficult for local security forces to monitor movements of Karen refugees if the refugee camps are located near the border area as some refugees can use Thailand as its base to assault Burma.

Gen Wimon said local security forces would not be able to secure the border area with hundreds of thousands of refugees in the area.

He said the army cannot use violence to resolve the problems as the government might be criticised internationally for violating human rights.

The army commander said the latest incident was caused by an internal rift among Karen liberation movements, noting that the Democratic Karen Buddhist Army (DKBA) and the Karen National Union want to take control of Karen populations living in several refugee camps along the border.

Gen Wimon said DKBA and KNU are fighting for control of Karen refugees living in the border area, and some Karens were forced against their will to cross the border to Burma.

Daily Stands by Report on Karen Incursion

BK2704065895 Bangkok BANGKOK POST in English 27 Apr 95 p 4

[Editorial: "Why We Will Continue to Carry Out Our Duty"]

[FBIS Transcribed Text] Prime Minister Chuan Likphai could not have been more correct when he told an audience at the Foreign Correspondents Club of Thailand yesterday that fairness and accuracy must be the hallmark of journalism. He also said journalists have an important mission which entails great responsibility and, through journalists, Thailand is, in part, presented to the world.

Fairness and accuracy are the basics of journalism and the bible that every honest and professional journalist must follow. No professional journalist in his or her right mind would think that he or she could deliberately write a story which is totally without foundation and expect to hoodwink readers. Nor could the journalist expect to keep his or her credibility or that of the newspaper intact after indulging in such a practice. After all, readers are erudite and far better informed in these days of mass global communications and can easily separate fact from fiction.

Strict adherence to the principles of fairness and accuracy has brought about a sense of responsibility among the overwhelming majority of professional journalists to report facts and to tell the truth in a straightforward manner which, on various occasions, has exposed them to risks of bodily harm, intimidation, defamation lawsuits or the anger of those persons who do not want those facts or truths to be told to the public. Yet, honest and professional journalists are willing to take the risks to the extent that some people in other professions think them to be foolhardy.

Last Sunday's incursion into Thai territory in Tak Province reportedly by some 200-300 members of the Democratic Karen Buddhist Army to intimidate Karen refugees sheltering at a refugee camp and the temporary holding of a Thai army officer by the intruders are not just facts, but a brazen act of violation of Thailand's territorial sovereignty. No responsible newspaper which knew of such facts would just sit on or bury them, just as no responsible army officers who were fully aware of the facts would look the other way and pretend as though the events had not happened.

The BANGKOK POST whose reporter happened to have gained information about the incursion from reliable sources did just that—reporting the facts in a straightforward manner. It was simply an act stemming from our sense of responsibility as professional journalists to inform our readers of what had happened. The incident was too provocative for us to compromise by simply ignoring it. Conscience too provided an additional impetus. Yet unfortunately, our action has turned out to be what appears to amount to a cardinal sin in the eyes of the Army.

The accusation made by the Office of the Army Secretariat against this newspaper is, indeed, very serious. The Army statement charged the BANGKOK POST report with being inaccurate and one which may cause damage to the Army and the country in a way that would cause the Thai people to lose faith in the efficiency of the armed forces and also in a way that would give a wrong impression of Thailand's national security among foreign investors and thus discourage them from investing in the country. It also charged that this newspaper had previously presented reports in a similar manner and might harbour hidden ulterior motives.

Under normal circumstances, we would have ignored the one-sided accusation and accepted the bitterness without uttering a word of public protest. But this time, we feel it to be totally unfair and unacceptable to be painted as an irresponsible arm of the media bent on undermining the country's economy and the image of the Army. And above all, our credibility has been thrown open to doubt, making it necessary to defend our reputation.

This newspaper had not anticipated that straightforward reporting about the border incursion would have annoyed the Army so much. It had no intention whatsoever of being provocative. In fact, the sole intention was merely to tell the truth to the world in a fair and accurate manner. Nor were there any hidden or open ulterior motives whatsoever. It is regrettable that our open and honest performance of duty was misunderstood and viewed in a negative light by the Army.

Honest professional journalists may not be overzealously patriotic, fully subscribing to the "my nation, right or wrong" ideal. They are definitely not the type who will boast that they are more patriotic than others. Many war correspondents have died alongside soldiers on the front line in efforts to obtain timely and totally accurate information for their readers. Despite the high risks, those who survive are still willing to take them knowing full well that if they get killed in action, they will not even get their names inscribed on a statue or plaque dedicated to fallen heroes. But certainly, they can judge what will benefit or damage the country.

Has this paper in any sense been dishonest? We believe not, but let the public make their judgment. Truth can be hidden, but cannot be eradicated. Someday, somehow, it will emerge. The burning of Karen refugee camps on Tuesday night allegedly by the same faction of Karen Buddhists who made the incursion on Sunday should serve as a grim reminder to apathetic souls of the potential security threat just across the western border. It should also help enlighten those who still harbour any suspicion of our motives and doubt our professional integrity.

Editorial Views Burmese Policy on Money Supply

BK2404155195 Bangkok BUSINESS DAY in English 24 Apr 95 p 1

[Editorial: "Myanmar Risks Undermining Financial Credibility"]

[FBIS Transcribed Text] Beginning on March 27, 1994, the government of Myanmar [Burma] printed new paper currency now known as the King Lion series. The paper money carried denominations of 500, 100, 50 and 20 kyats and was allowed to be used alongside the existing currency. This past week the Central Bank issued King Lion series notes with denominations of 10 and 5 kyats.

On the surface, printing new money or new versions of the same type of currency is no cause for alarm. In the case of Myanmar, however, the domestic monetary system has not yet been integrated with the international system, and so for the government to arbitrarily control the money supply by printing money while fixing the exchange rate at a level which does not at all reflect supply- demand conditions is a practice which can undermine Myanmar's efforts to join the international trading community and to foster economic growth and development.

The official rate of exchange between the kyat and the dollar is 6 kyats to 1 dollar. Traders report that given actual supply and demand conditions, the 6 to 1 rate is off by at least 1,500 percent. On this basis, the rate should be around 100 kyat to the dollar.

Printing more kyats to finance government expenditure is dangerously inflationary. And as inflation intensifies, the kyat will further lose its value relative to the dollar and other currencies.

Myanmar's Central Bank's claim that the total money supply will not increase because the new notes replace old ones which are routinely taken out of circulation and destroyed is not verifiable. Furthermore, the official figure on the money supply (94 billion kyats) is also impossible to verify in view of the secretiveness of Myanmar's economic and financial data.

Before the present junta came to power, the former regimes put the kyat through three demonetization measures between 1964 and 1987. The moves reflected Myanmar's policy the shut itself off from most of the rest of the world and to keep a market oriented economic system at bay in every way possible. The ruling junta has repeatedly stated that it will not demonetize the kyat, but its actions in keeping the kyat at an artificially overvalued official level speak louder than words.

To veer away from the present monetary and fiscal policies, Myanmar must look far beyond the short-term benefits of printing money while controlling exchange rates and consider the far more important long-range goal of having its domestic monetary system in balance with the rest of the world. Myanmar must establish the foundation of a monetary system which is transparent, accountable and fiscally responsible. There is no better time to build this foundation than now before the problems create more necessities for printing even more money to the point where the authorities will be helpless in solving inflation and low productivity.

No one doubts Myanmar has set itself on a course of a market- oriented economy. And as free market forces are being unleashed, the leaders of Myanmar must take measures now to ensure that the gains of the private sector are not being undermined by those who print money and fix exchange rates as if they alone have the right to control Myanmar's economic and financial destiny.

ASEAN Investment Joint Venture Within Rules

BK2704044995 Bangkok BANGKOK POST in English 27 Apr 95 p 7

[FBIS Transcribed Text] ASEAN Investment Joint Venture [AIJV], the investment promotion project, is not against ASEAN Free Trade Area (AFTA) rules even though it will require members to freeze tariffs for the products competing with AIJV ones for four years, according to a Business Economics Department source.

AFTA requires ASEAN members to reduce their tariffs to 0-5 per cent over a 15-year period from January 1, 1993.

Product groups selected for "fast-track" tariff cuts must achieve AFTA's target five years earlier, but the member countries can exclude the sensitive goods from the project for up to eight years.

A study from Canberra's East Asia Analytical Unit says the AIJV scheme is inconsistent with AFTA rules because the AIJV participating countries are required to freeze tariffs on goods competing with AIJV products for four years.

The source said the AIJV scheme does not go against AFTA implementation because the AFTA agreement says that member countries can decide through their respective governments how quickly the tariff cut is brought into practice.

AFTA members can equally reduce the rate within 15 years or freeze the rate in the first period of AFTA implementation, but sharply cut the rate at a later stage.

Therefore, the Senior Economic Ministers Meeting of ASEAN members at the last meeting in March ruled that ASEAN could continue maintaining its AIJV project to promote foreign investment.

Navy Chief Frustrated by Submarine Delay

BK2504113095 Bangkok BANGKOK POST in English 25 Apr 95 p 5

[FBIS Transcribed Text] Navy Commander-in-Chief Adm [Admiral] Prachet Siridet yesterday voiced his frustration over Defence Minister Gen Wichit Sukmak's order to delay the navy's attempt to procure two medium-sized diesel attack submarines between the fiscal years of 1995 to 2002.

"A delay in the project would cost the country more money and the navy should not be held responsible for the problem," he said.

"As a soldier, one has to obey the commander's order," the 59- year old navy commander added.

Adm Prachet said the navy had already decided to postpone the project after Defence Minister Gen Wichit Sukmak ordered it to postpone the acquisition of the submarines which would cost the navy about 17 billion baht.

He said the navy had given the project top military priority, adding that if the project could start in the next fiscal year, then he believed that it would be beneficial to the country.

"I don't know who should be held responsible, but I don't think the navy has to be responsible for the issue. The navy has already fulfilled its given role," Adm Prachet said in response to a reporter's question on who should be held financially responsible if the project is delayed.

The navy had earlier asked the Government to support its seven- year expenditure plan to purchase the submarines which would cost the navy 2,500 million baht annually. However, after a complaint made by the budget bureau the navy had later decided to adjust its annual expenditure figure to 2,000 million baht.

The navy commander declined to give any details on the issue, saying that under present circumstances "the best way to provide information (to the public) was to say nothing."

Adm Prachet said the plan to acquire the submarines had already received support from related security agencies. However, he said, he was duty-bound to honour decisions made at the above-level, adding that there might be other factors which could not be relayed to him but which had helped to contribute to the project's delay.

Asked whether the navy would repropose the project next year, Adm Prachet said sarcastically that he had not yet checked the dictionary for the definition of "delay" so he did not know how long it would be.

Adm Prachet said it might last a day or three days, and in the English language it might mean "to shelve" it.

Vietnam

President Reaffirms Sovereignty Over Spratlys

BK2504115095 Hanoi Voice of Vietnam in English 1000 GMT 25 Apr 95

[FBIS Transcribed Text] President Le Duc Anh has sent a letter to the authorities and people of Truong Sa [Spratly] Island District on the 20th anniversary of liberation of South Vietnam. He wrote that Truong Sa was part of Vietnam's territory. Over the past 20 years, people and soldiers on the island have overcome numerous difficulties to safeguard national sovereignty. The letter praised the efforts made by the people and army of Truong Sa.

Vo Van Kiet Supports ASEAN Spratly Accord

BK2504141995 Hong Kong AFP in English 1242 GMT 25 Apr 95

[FBIS Transcribed Text] Hanoi, April 25 (AFP)—Prime Minister Vo Van Kiet reaffirmed Tuesday Vietnam's support for an ASEAN declaration on the Spratly Islands, urging all countries to respect an agreement to discuss their claims peacefully.

Kiet stressed that the problem required negotiations among all the claimants and was not simply a bilateral one with China as Beijing maintains.

"Our policy is to negotiate and talk peacefully," Kiet said.

Kiet told journalists that Vietnam fully supported the Manila Declaration by the Association of South East Asian Nations (ASEAN) in 1992 pledging to resolve the dispute peacefully.

China has adopted a policy of actively staking its claim while dealing with other countries bilaterally on the Spratlys issue.

Vietnam has meanwhile agreed with China to avoid actions that might complicate the situation in the South China Sea, an area of important shipping lanes and possible oil reserves.

Vietnam's entry into ASEAN in July is expected to reinforce the country's position.

Kiet's comments came as President Le Duc Anh asserted Vietnam's claim to the islands in a speech marking the 20th anniversary of Hanoi's takeover of the atolls, which before 1975 were governed by the South Vietnamese.

"Truong Sa (the Spratlys in Vietnamese) is Vietnam's sacred territory," Anh said in a message to the inhabitants and soldiers on the archipelago.

He saluted the "courage and sacrifice" they displayed during the past 20 years in "solidly defending the fatherland's territorial sovereignty in the East Sea."

The North Vietnamese navy seized a dozen islands and sandy banks and reefs that were under the control of the South Vietnamese on April 29, 1975, and later spread to other islands in order to expand their presence on the archipelago.

Last year, the Vietnamese National Assembly ratified a 1982 United Nations Convention on the Law of the Sea, which, according to the Hanoi, legitimises its claims.

Vietnam at present controls 21 of some 700 islands, islets and coral reefs on the archipelago which is also claimed wholly or partly by the Philippines, Taiwan, Malaysia and Brunei.

The Philippines is currently engaged in a high-profile spat with China over one of the islands, Mischief Reef, where the Chinese have built several structures. Chinese navy vessels are still patrolling the area, Philippines Defence Secretary Renato De Villa said Monday.

Deputy Foreign Minister on Development, Spratlys

BK2604010395 Hanoi VNA in English 1422 GMT 25 Apr 95

[FBIS Transcribed Text] Vietnamese deputy foreign minister has stated that 'in her development strategy, Vietnam always stresses the importance of human resources development. The comprehensive conception of the Vietnamese state is to place human beings at the centre, to release all potentials of each person and of the entire nation.'

Addressing the 51st annual meeting of the Economic and Social Commission for Asia and the Pacific held in Bangkok on Monday, Vietnamese Deputy Foreign Minister Nguyen Dinh Bin said: 'In the strategy, human beings is seen as the creator of all sources of material and spiritual wealth in a society and, at the same time, the well-being, freedom and happiness as the highest goal of the development process. Out of eight development priorities of Vietnam, the first focusses on investment in people, first and foremost in education and training, health, nutrition and family planning, housing and labor force adjustment and job creation.'

Referring to cooperation in the region, Nguyen Dinh Bin said: 'Vietnam holds that for the sake of peace, cooperation and development of each country and the entire region, disputes related to the Eastern Sea should be settled through negotiations to reach fundamental and durable solutions. While negotiations are conducted, the parties concerned should maintain the status quo, no use [of] force or threat to use force and refrain from any act that might further complicate the situation, and strictly respect the right of the littoral countries to sovereignty over their continental shelf and exclusive economic zones in accordance with international law, especially the 1982 United Nations Convention on the Law of the Sea.

In other words, we support the 1992 declaration of the ASEAN foreign ministerial meeting'.

Tariff Breaks Offered to Foreign-Invested Firms

BK2604141695 Hanoi VIETNAM INVESTMENT REVIEW in English 10-16 Apr 95 p 14

[Report by Nguyen Tan Hai and Mark Lockwood]

[FBIS Transcribed Text] Under the foreign investment legislation in Vietnam, several incentives are available to Joint Ventures, Business Co-Operation Contracts, Wholly Foreign Owned Enterprises, Build-Operate-Transfer projects (known collectively as "Foreign Investment Enterprises"), including a reduction for import duty on various imports.

Circular No. 20/TC/TCT ("Circular 20"), providing Guidance on Export and Import Duties Exemption for Foreign Investment Enterprises established under the Law on Foreign Investment, issued by the Ministry of Finance on 16 March 1995, has clarified the importance of listing the capital items to be imported in the approved Feasibility Study to justify the exemption.

Circular 20 provides that imports of Foreign Investment Enterprises established under the Law on Foreign Investment are exempted from import duties as follows:

—where the imported machinery, equipment, spare parts and materials are for capital construction of a Foreign Investment Enterprise or are part of the fixed assets of a business cooperation contract;

—where the first-time imported instruments, working tools, assembling devices and materials are destined for the initial production and business activities of Foreign Investment Enterprises as described in the approved Feasibility Study of the relevant project approved by the Ministry of Trade;

—where the imported goods and equipment are destined for activities in connection with the exploration/exploitation of petroleum;

—Foreign Investment Enterprises, other than those engaging in the passenger transportation business, enjoy import duty exemption on the first-time import of automobiles. However, the number of automobiles allowed to be imported duty-free is based on the scale of investment of a particular enterprise.

Materials, equipment, etc not mentioned in the Feasibility Study as well as materials, equipment, etc which are to replace (including means of transportation) materials, equipment, etc which were originally exempted from import duty, are not exempted from payment of import duty.

An annual report on the administration of goods exempted from import duty must be submitted at the completion of the initial investment stage or at the completion of each investment period of the project concerned by the Foreign Investment Enterprise to the tax management offices, the Ministry of Trade, and the General Department of Customs.

The latest deadline for the submission of such a report is 30 days after the completion of the relevant project; the completion of the investment period; or the last day of the year. Failure to submit the report will prevent further import duty exemptions to be approved.

Circular 20 sets forth a list of authorities responsible for the administration of import-export duties as follows:

—the Ministry of Trade, as principal responsible for the State management of import/export activities in Vietnam, is in charge of approving the import plan and specifying the quantity of goods to be exempted from import duty in accordance with Circular 20. Other regulations apply for the relevant procedures;

—the General Department of Taxation is responsible for monitoring and guiding the provincial and local Customs Offices in charge of the settlement of formalities for tax exemptions and the consideration of tax refunds based on the import plans of the duty exempted goods granted by the Ministry of Trade; and

—the Ministry of Finance is responsible for monitoring the import tax exemptions of the Foreign Investment Enterprises

SCCI Official Views 1st Quarter Investment

BK2604122895 Hanoi VIETNAM INVESTMENT REVIEW in English 10-16 Apr 95 pp 7, 8

[Article by Professor Doctor Nguyen Mai, vice chairman of State Committee for Cooperation and Investment: "First Quarter Figures Herald Accelerated Development"]

[FBIS Transcribed Text] Even though signs of a wobbly economy persisted through the first quarter, as evidenced by a 7.5 per cent inflation figure, and confusing signals over new land rulings, foreign direct investment has never been stronger.

In the first three months of 1995, 87 new projects were licensed—worth a total US$1.871 billion. The average project value works out to US$21.5 million, two times the average amount of all previous investments. Twenty-six other projects added a total US$301 million to their invested capital.

Meanwhile, the State Committee for Cooperation and Investment (SCCI) decided to terminate the operation of 16 mainly small projects ahead of schedule, with combined investment capital of US$39 million.

All told, the total investment figure for the first quarter of 1995 is US$2.133 billion, more than half of the amount tallied in 1994. The figure gives us hope of attaining a US$8 billion investment figure for the year (US$2 billion in the form of realized capital).

If we compare these figures to 1988, the first year of foreign investment, we see that, then, there were only 37 licensed projects capitalised at US$366 million. This year's figures are a six-fold increase.

Many earlier investments are now up and running, including large projects in industry, tourism, and agricultural processing, such as the over US$200 million-joint venture between Hanel (Hanoi) and Daewoo (South Korea) and the US$200 million-, 100-per-cent-Taiwanese owned Vedan food processing facility in Dong Nai. The fact that many projects licensed in 1994 broke ground in the first quarter is also worthy of mention.

The delay between licensing and deploying projects is shorter. Procedures at the SCCI are improved, land use rights and construction permits are granted more quickly, and on the whole, foreign partners are more financially capable.

Economists in Vietnam target a 1995 GDP growth of nine to 10 per cent, growing steadily through the year 2000.

While these facts and figures paint a rosy picture, obstacles to smooth investment growth remain. Disorderly legislation, unnecessary procedures, and bureaucratic red tape loom over investment in Vietnam, scaring off many potential investors.

Recent stipulations on land are not in keeping with the current investment reforms, causing concern among investors. In addition, the unusually high prices of services, hotels, house rentals, post and telecommunications, and power and water supply in Vietnam have tarnished the image of Vietnam across the region.

The foreign exchange push, mandating the use of Vietnamese currency in Vietnam while necessary has slowed some functions of business, particularly in trade.

To improve the situation, in the last days of 1994, the Government promulgated two important decrees: No 191/CP on improving investment procedures; and No 192/CP on industrial zones.

Decree 191 sets out the fundamental reform of administrative procedures relating to foreign direct investment. It states that each procedure should have a specific function, take place within a set time limit, and be the responsibility of a single state agency.

Administrative reform of State agencies is tied to the perfection of the country's legal system; determining standards, norms and directives; reviewing procedures and attempting to cut to the minimum the "ask and give" relationship between business and offices of the State.

According to the reform legislation, investors will need to obtain only three types of permit: an investment licence, a construction permit, and the license for land use right. Other procedures should simply be a matter of registration with the relevant authorities.

The time taken to evaluate Group B projects, which are examined by the Chairman of the SCCI, is 45 days at the maximum after the date of receipt of all required documents.

It still takes a maximum 90 days to evaluate Group A projects. But it is not always necessary to go through the State Evaluation Council. In many cases, an evaluation can take place before it goes to the Prime Minister for approval.

Only around 15 per cent of Group A projects will need to have land use rights granted by the Prime Minister. The responsibility for granting land use rights for Group B projects is delegated by the Prime Minister to the Chairmen of the People's Committees in relevant provinces or cities.

The granting of construction permits, one of the most troublesome and time consuming tasks in the past, is now defined as being based on the principle that: "Investors shall bear responsibility to the law of Vietnam concerning project safety, fire and explosion prevention and control, and protection of the environment during the period of construction and throughout the project's operating life."

This is intended to avoid the situation of State agencies acting "on behalf" of investors, and to get the agencies back to their normal function of organizing and supervising observance of the law. These duties include: checking the legal status of those groups involved in the design and construction of the project; ensuring that the blueprints are compatible with the relevant master plans; and making sure that technical standards are agreed and observed.

Decree No 192/CP addresses the Government's strong new emphasis on industrial zones. From now on, almost all industrial projects will be implemented in these zones. This is done with a view to guaranteeing services and "one stop shop" management, good technical infrastructure, and safety for investors.

Large-scale industrial projects such as cement, steel, oil refining, petrochemical, and power plants, and hotel and tourism projects, will still be able to go ahead in places outside these zones.

Foreign-invested enterprises will receive benefits by investing in industrial zones. The Government of Vietnam also encourages foreign investors to invest in infrastructure construction in industrial zones. They will receive the right to re-lease the land and their installations there at agreed prices.

On February 8, 1995, the SCCI promulgated Circular 215 to serve as an authoritative text of information on foreign investment operations in Vietnam, over-writing all previous rulings.

Other State agencies are moving to improve investment relations. The Ministry of Finance has provided a reduction of 25 per cent on land rents for foreign invested projects nationwide.

Life has always posed problems to be resolved. Vietnam's development programme has many complexities, requiring a complete and systematic approach to improve Vietnam over the long term. But it should be known that the first quarter of 1995 is a period of continued development, heralding accelerated growth in 1995 and the years to come.

Plans Laid To Improve Capacity at Major Ports

BK2604124595 Hanoi VIETNAM INVESTMENT REVIEW (VIETNAM SHIPPING TIMES SUPPLEMENT) in English 10-23 Apr 95 p 1, 4

[Article by Tran Dinh Thanh Lam: "Plans Shape Up for Overhaul of Port Network"]

[FBIS Transcribed Text] Principal ports in Vietnam are to undergo major renovation work aimed at allowing larger vessels to berth at and near the nation's major economic centres.

The central region of Vietnam is so far the least developed of the three strategic economic growth triangles that the government has determined it should focus development on. Last year the two principal harbours in the region—Qui Nhon and Da Nang—were revivified thanks to renovation work enabling the ports to receive vessels of more than 10,000 tonnes. Qui Nhon recently hosted its first ship of such weight.

More than 200 ships called at Da Nang last year, to pick up and deliver 860,000 tonnes of cargo.

Built to handle 1.5 million tonnes of cargo a year, Da Nang harbour was upgraded in 1994 as part of a VND12 billion [Vietnamese dong] (US$1.1 million) project. It currently boasts 2,000 metres of wharves.

Authorities hope to raise Da Nang's annual capacity to 2.3 million tonnes by the end of the decade, which should happen once Tien Sa No. 3 built for container ships, is complete.

A US$40 million project to upgrade Saigon Port, one of the country's largest, is scheduled to begin at the end of this year. Saigon river port handled four million tonnes of cargo last year, but can accommodate ships up to 16,000 dwt [deadweight ton] only. With a US$30 million loan from the Asian Development Bank (ADB) and the remaining US$10 million from the government, the project will focus on upgrading the Nha Rong and Khanh Hoi cargo handling sectors.

A 1,740-metre pier will be rebuilt, as well as a system of warehouses, roads and other port facilities at a cost of about VND174 billion (US$15.8 million). Further investment of up to VND174 billion will be made in equipment such as cranes and forklifts.

A management board has been assigned to design a project outline, which will be submitted to consultant companies nominated by the ADB. Seven companies will be selected to assess the design, undertake construction and supply equipment. An other ADB loan of US$650,000 will also help improve Saigon Port's traffic management system.

Ben Nghe container port, commissioned in March 1994, is currently handling 15,000-20,000 containers annually from a 175-metre long wharf. A US$19 million project to begin this year will increase this port's capacity to 50,000-80,000 containers.

After five years, capacity will be 500,000 containers a year.

Another project funded with VND192 billion (US$17.4 million) raised locally will upgrade Tan Thuan Export Processing Zone's harbour, installing a 300-metre-long container wharf. Upon completion, scheduled for 1998, the port's annual capacity for cargo will be around eight million tonnes. An 18,000 sqm [square meter] area will be prepared to store 1,500 20-foot containers.

Since the Saigon river facility cannot expand much further, located as it is in the congested city centre, a plan to re-develop Vung Tau into a major transshipment hub is considered an important part of Vietnam's strategy for development.

Developers plan to build in Vung Tau a US$637 million deep water port expected to become Vietnam's biggest port and support facilities. The port will be built to accommodate ships of up to 80,000 tonnes in the first phase to the end of the decade, and will be able to handle ships of up to 200,000 tonnes by the year 2010. Oil storage facilities will also be built.

In the first phase a terminal to handle up to six million tonnes of bulk, conventional and containerised cargo a year will be built, beside an industrial zone and container storage areas. Construction of the first phase will cover 200 hectares of sea front land, while a further 355 hectares will be reclaimed in order to start the second phase.

Another port has also been planned for Ba Ria Vung Tau. Belgium's Ministry of Foreign Trade and Vietnam's Ministry of Transport recently signed a memorandum of understanding to build a US$100 million pier of 500 metres at Phuoc Hoa, Ba Ria Vung Tau province. The pier may he extended to 1,800 metres later on, planners said.

In the north, with Hai Phong operating at capacity but unable to meet demand, developers are planning another port to service the northern region. The Japan International Cooperation Agency and Vietnam's Ministry of Transport last year wrote a feasibility study for Cai Lan port, planned to become the largest port facility in northern Vietnam by the year 2010. According to the study, Cai Lan port in Quang Ninh province can expect to handle around 14.3 million tonnes of goods per year.

Minister Reviews Draft Mining Law

BK2604140795 Hanoi VIETNAM INVESTMENT REVIEW in English 10-16 Apr 95 p 9

[Report by Hai Thanh]

[FBIS Transcribed Text] Many of the uncertainties surrounding investment in Vietnam's mining industry have been clarified in a new draft of the Mineral Legal Code, the minister of heavy industry, Tran Lum, told delegates at the National Assembly last week.

Reading from a report on the revised law, Lum revealed that the draft covers all areas of mining from licensing arrangements and exploration rights to royalty payments and tax levels.

This 12th draft of the law lays particular emphasis on the explorers' rights to mine a deposit and is expected to be more attractive to overseas companies.

These companies will be able to apply for a foreign investment licence at the same time as an exploration licence rather than afterwards which has been the current practice, Lum said.

"Many foreign companies have wanted to invest in this industry," he said, "but have been worried because Vietnam's minerals laws have not guaranteed their rights and there have been many risks."

The new law will sweep away current arrangements which require three different licences—one to survey a site, a second for exploration and the third for exploitation—before a resource can be mined.

In the past there has been no guarantee that the second and third licences would be issued once an investment had been made.

If the investor decides not to mine, according to Lum, then the licence can be returned to the State or the exploration right can be transferred to another named party. There will also be confidentiality regarding a company's mining operation.

However, certain penalties and fees will be applied, added Lum. A deposit must be paid on receipt of a licence, which must then be used within six months. If exploration is not carried out within that time the licence will be revoked and the deposits retained.

According to earlier laws only Government bodies could explore for minerals, but the new laws will enable all institutions including private and State Vietnamese companies and foreign firms to enter the mining industry.

Nguyen Tien Phuong, Director of the Department for Managing Resources and Minerals, said it was "unreasonable" that the State should carry out the exploratory work for investors to benefit from. "The domestic economic sector and foreign individuals should be encouraged to invest in surveying and exploration," he said.

The State annually spends VND40-50 billion (US$3.6-$4.6 million) on mineral exploration, excluding coal, according to Phuong. The Department for Managing Resources and Minerals will administer the law under the auspices of the Ministry of Heavy Industry.

Other aspects of the new minerals law covered in draft 12 include protection of the country's resources, reference to existing land laws and other environmental factors. The law could come into effect by the end of the year.

Development of Natural Gas Industry Outlined

BK2704084795 Hanoi VIETNAM ECONOMIC TIMES in English Apr 95 p 33

[FBIS Transcribed Text] Vietnam, its crude oil exports growing, is on the threshold of becoming a major player in Asia's natural gas industry.

From modest beginnings harnessing gas burned off during oil production in the Bach Ho (White Tiger) offshore field, Vietnam plans bigger projects to feed power, fertilizer and petrochemical plants and export markets with gas by the turn of the century.

A gas master plan is due to be completed by the end of this year, but foreign oilmen hope it will be ready by September, enabling crucial investment decisions by year end.

Ho Si Thoang, President of the state oil firm PetroVietnam, has said the government was stepping up work on the plan and examining all angles of the new industry.

"We want to transfer the gas from this area to shore as soon as possible," he said, referring to discoveries by British Petroleum (BP) and Norway's Statoil in two wells, Lan Tay and Lan Do, in the Nam Con Son basin off the southeastern coast.

Thoang told an oil industry conference in Ho Chi Minh City last month he hoped to get gas ashore from the BP-Statoil wells, and perhaps others in the basin, by 1999.

Apart from powering industry, there were prospects of exports of natural gas to Thailand and, in liquefied form, to Japan, Taiwan and South Korea, he said.

While the companies and Hanoi mull over that long-term project, which involves building a pipeline to shore, Vietnam is preparing to launch its gas industry by harnessing "associated gas" flared off at the oil well heads in White Tiger, closer to the coast.

British Gas and Japan's Mitsui and Co are doing a feasibility study for the $400 million project and negotiating with PetroVietnam to finalise a joint venture.

Project Controller Alan Ross Guy said the scheme, the first large-scale use of natural gas in Vietnam, was aimed at using 4.2 million cubic metres of gas a day which is flared off uselessly.

Most of the Bach Ho gas will be converted into liquefied petroleum gas (LPG) for export and later to growing fuel demand in Ho Chi Minh City, Vietnam's biggest city.

An initial "fast track" operation is due to start next month, according to Thoang and officials of South Korea's Hyundai Heavy Engineering, which is completing testing of a 125 km pipeline from Bach Ho.

Under the fast track, 850,000 cu m [cubic meters] of gas a day will be brought ashore to feed the Ba Ria power station near Vung Tau.

Later, the partners will build a compression platform at White Tiger to be ready in 1997, a gas processing plant, onshore pipelines to users and an export terminal for gas tankers to take LPG to export markets.

PetroVietnam says the White Tiger project will eventually produce at least 230,000 tonnes of LPG a year.

Although the volume of White Tiger gas will drop from 1998, supplies from other fields in the same area will maintain output at the same level or more for at least 15 years, it says. Vietnam currently imports LPG from Thailand, Singapore, Malaysia and China.

Nguyen Quang Hap, head of PetroVietnam's Vietnam Gas Company unit, estimates demand by industry, power generation and households will more than double to 82,000 tonnes by 2000 from 40,000 tonnes in 1997.

By that time, a big pipeline to carry gas ashore from the Nam Con Son basin will have been built and gas will be flowing ashore, perhaps from several offshore wells.

The BP-Statoil alliance says recoverable reserves in its two wells total 57 billion cu m and the basin could yield further recoverable reserves of about 113 billion cu m.

Ian Forbes, General Manager of BP Exploration for Vietnam, said the two BP-Statoil wells had enough reserves to supply two power stations of over 1,000 megawatts and a 1,750 tonne-per-day fertiliser plant for 20 years.

Ho Chi Minh City's Achievements Noted

BK2604141795 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 25 Apr 95

[Interview with Truong Tan Sang, chairman of Ho Chi Minh City people's committee, by an unidentified station correspondent; place and date not given—recorded]

[FBIS Translated Text] [Correspondent] Dear Mr. Chairman, could you please elaborate on how Ho Chi Minh City has developed its potentials and achieved its socioeconomic results during the past 20 years, given the city's position as one of the nation's largest economic and cultural centers having favorable conditions in the historical, geographical, and natural and human resource domains?

[Truong Tan Sang] Twenty years have elapsed since the liberation of Saigon and South Vietnam and the reunification of the country. During the difficult years after the liberation, we had to endure much hardship in mobilizing our work forces to overcome the consequences of war. However, in a short span of only a few years, we were able to basically overcome some outstanding issues, especially the problem of unemployment, social vices, and problems in production and business. This has manifested the dynamism and creativeness of the people of Ho Chi Minh City. Since the implementation of the renovation undertaking nearly 10 years ago, Ho Chi Minh City has successfully developed its potential in various domains thanks to its longstanding tradition of dynamism and the correct policy of the party and state. In recent years, the city's gross social production output has increased rapidly, about 1.5 times faster than the average pace of the nation, especially during 1990-91. Before this period, generally speaking, the city's pace of production development was also quicker than the average pace of the nation. This development has created an impetus for further progress in the days ahead. It can be said that, first, this achievement was attained thanks to the correct policy of the party and state; and second, it was due to the dynamism and creativeness of the people of the city. I would like to say that the party and state's correct policy and the dynamism and creativeness of the people's strata are the decisive factors determining the successes of Ho Chi Minh City in various domains during the past two decades. However, during the process of implementing the renovation undertaking, especially in carrying out the multisectoral and market economy, we foresaw adverse effects in development. We realized that while the city was developing rapidly, the gap between the rich and the poor would be wider and that more social problems would be emerged. As a result, we have formulated plans to resolve the cultural and social problems to ensure a quick development of the city while striving to narrow the social gap and eliminate negativism. We have recorded some achievements in this domain and have won the people's support.

Reviewing our tasks on the occasion of the 20th liberation anniversary, we may say that we have attained successes in the campaign to fight poverty and improve the people's livelihood. This will serve as a basis for further development to help improve the people's standard of living, especially poor families who need assistance from the state. I think that after making sacrifices and enduring numerous difficulties and hardships during the war years, our countrymen should be repaid by society. In this spirit, we have launched various social welfare programs such as programs to promote young intellectuals, to help youth from poor families, to assist discharged soldiers, and to oppose social vices and so forth, which have been actively implemented for many years now. Thanks to these efforts, the city's image has been improved while cultural and social issues have gradually been resolved, thereby helping to balance the organic relations between economic growth and social order and safety.

[Correspondent] Dear comrade, through your description of the achievements of Ho Chi Minh City in the last 20 years, we all know that at the beginnning of the process there were difficulties; so in the case of Ho Chi Minh City what were those difficulties?

[Truong Tan Sang] First, we have to appreciate that the infrastructure in the original plan for Ho Chi Minh City was that for a city of two to three million inhabitants. Due to the new development requirements for Ho Chi Minh City as one of the three main regions in the southern development triangle comprising Ho Chi Minh City, Dong Nai, and Vung Tau, Ho Chi Minh City now needs new planning for infrastructure construction and human resources development that relate to the different development situation of the final years of this century and the next century. The most critical difficulty that we envisaged several years ago was the restructuring of a general development plan for Ho Chi Minh City to the years 2000 and 2010, with provisions for increasing investment in parallel with human resources development.

[Correspondent] In relation to the development direction of the country as a whole, could you please illustrate some of the new features of Ho Chi Minh City that will be apparent up to the year 2000?

[Truong Tan Sang] We are implementing the renovation policy and have achieved important preliminary results. The efforts I summarized previously, supported by our wide-open, diversified, and multilateral foreign policy have been highly successful in recent years. We are now determined to continue our renovation policy and the current foreign policy, and we are able to conclude that the opportunities are in our favor; however, I think that, as always, there are difficulties and obstacles in the way of our development and maturation.

This perception allows us to be optimistic as to the bright future of the city, which formerly bore the splendid names: Extreme Orient Jade, and now carries the name of our beloved President Ho Chi Minh.

From now to the year 2000, we will strive for an annual growth rate GDP of not under 15 percent, and will focus our efforts on accelerating the construction of the infrastructure and human resources development for the new demands of the new period. Those are our main tasks for the last years of the 20th century, so that in the early years of the 21st century we will have a firm foundation for further, speedier advancement. We still have many major tasks ahead of us including the supply of electricity and water, drainage, transport, roads and bridges, and, in particular, housing. They are heavy responsibilities that we have to work hard at month by month, day by day, to fulfill our targets.

In short, the growth rate in the last years of the century will probably be considerable, but we have to focus all our strength on the two major tasks of infrastructure construction and human resources development, as they are preparatory bases for further development in the next period. The fulfillment of these important tasks will make Ho Chi Minh City worthy of the city bearing the name of our beloved president, and worthy of the expectations and love of the people, who have entrusted our city with the tasks of building a prosperous people, a strong country, and an equitable and advanced society.

[Correspondent] Thank you, comrade.

Australia

Evans To Consider Keeping Troops in Rwanda

LD2604084195 Melbourne Radio Australia in English 0700 GMT 26 Apr 95

[FBIS Transcribed Text] Foreign Affairs Minister Gareth Evans says he'll consider a request from Dr. Butrus-Ghali to keep Australian troops in Rwanda. (Sandra Fabretti) reports that Dr. Butrus Butrus-Ghali called on Australia to reconsider pulling its troops and medical staff out of the central African nation.

[Fabretti] After a weekend massacre which left at least 2,000 people dead, Dr. Butrus-Ghali has called for a continuation of aid in Rwanda—something Senator Evans says he'll look at. He says (?although) Australia orginally indicated it was only going into Rwanda for a fixed period of time, he says these things are always subject to change.

Minister, Butrus-Ghali Discuss UN Issues

LD2704075295 Melbourne Radio Australia in English 0700 GMT 27 Apr 95

[FBIS Transcribed Text] Australia has called for radical reform of the United Nations. Australia's Development Cooperation Minister Gordon Bilney said this at a meeting in Melbourne with UN Secretary General Butrus Butrus-Ghali.

Dr. Butrus-Ghali is in Australia for the UN global cultural diversity conference, which is being held in Sydney.

Mr. Bilney said Australia fully supported the secretary general's efforts to reinvigorate the UN. However, Australia believed that the coordination and effectiveness of UN relief efforts needed to be improved.

Mr. Bilney was strongly critical of UN relief efforts in the Rwandan capital, Kigali. The development cooperation minister said that on a visit to Kigali he found that one of the main reasons for the delay in restoring electricity and water supplies was confusion over which UN agency had the responsibility. Mr. Bilney added it was difficulties such as these that Dr. Butrus-Ghali was working to overcome, and in this he had Australia's support.

South Africa's Mbeki Urges Closer Trade Ties

MB2504123795 Johannesburg SAfm Radio Network in English 1100 GMT 25 Apr 95

[FBIS Transcribed Text] Deputy President Thabo Mbeki, who is visiting Australia, has called for greater trade, investment, and other links between South Africa and Australia.

Mr. Mbeki said in an interview published in an Australian newspaper that he would ask Australian Prime Minister Paul Keating whether a comprehensive bilateral system of relations could be set up. He said he would use several meetings with Australian business leaders to promote South Africa as a place where it would make good business sense to invest.

New Zealand

Bolger Meets With PNG Prime Minister Chan

LD2604103995 Wellington Radio New Zealand International in English 0800 GMT 26 Apr 95

Papua New Guinea's [PNG's] Prime Minister, Sir Julius Chan, was officially welcomed in Wellington today as news came through that tribal fighting in PNG's eastern highlands province has left 46 people dead. Police have been given extra powers of arrest and detention and community leaders have asked the government to send soldiers to help stop the fighting.

Meanwhile Sir Julius, who met New Zealand's Prime Minister Jim Bolger, says PNG is looking to New Zealand for advice on its economy and public service. He says his country has a big public sector and he wants to look at the New Zealand reforms.

[Begin Chan recording] I have got the minister for public service here to talk to some of the administrators here so that we can borrow some of your talents to do similarly, similar (?resources) back at home. [end recording]

Papua New Guinea

Tribal Conflict Leaves 46 Dead in East

LD2604100895 Melbourne Radio Australia in English 0700 GMT 26 Apr 95

[FBIS Transcribed Text] Tribal fighting in Papua New Guinea's [PNG's] eastern highlands is reported to have left at least 46 people dead and widespread destruction of property.

PNG's National Broadcasting Commission says the recent fighting has been at the villages of Asaro and (Hinanofi), with 26 people killed in Asaro and 20 in (Hinanofi). The chairman of the Asaro peace committee, (Atairo Kanisuo), has appealed to the ntional government to send in troops to control the situation.

In addition to the deaths, homes, fruit gardens, and other property worth thousands of dollars have been left in ruins. Both areas have been declared fighting zones, giving police extra powers of arrest and detention.

Church and community leaders have formed groups to start peace talks.

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